

VENTURA LOCAL AGENCY FORMATION COMMISSION

FINAL DRAFT
CALLEGUAS CREEK WATERSHED
SERVICE REVIEW REPORT

August 27, 2003

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I. EXECUTIVE SUMMARY

Municipal service reviews are a new requirement for LAFCOs and were intended to promote more efficient services, to identify areas of improvement and to assess service provision in relation to boundaries and spheres of influence (SOI). Service reviews do not directly change the provision of service but are sources of comprehensive information LAFCO can use in future actions.

LAFCO must conduct service reviews prior to or in conjunction with the mandated five-year schedule for updating SOIs. The service review report must include an analysis of the issues and written determinations for each of the following:

- Infrastructure needs or deficiencies;
- Growth and population projections for the affected area;
- Financing constraints and opportunities;
- Cost avoidance opportunities;
- Opportunities for rate restructuring;
- Opportunities for shared facilities;
- Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers;
- Evaluation of management efficiencies; and
- Local accountability and governance.

The service review process for the water and wastewater agencies in Ventura County started in January of 2003 and will be completed in November of 2003. It began with a meeting of the agencies to discuss issues and to receive input on a three-part draft questionnaire. The questionnaire, which was sent to all 36 agencies, requested data on quantitative, qualitative and boundary issues. All the agencies were contacted individually and approximately 80 hours of interviews with staff and board members were conducted.

To ensure more focused analysis on service issues, Ventura County was divided into three sub-regional areas which were roughly based on watershed boundaries. The three sub-regional service review areas are the Calleguas Creek, Santa Clara and Ojai-San Buenaventura areas. Each of the 36 agencies was placed in only one subregional area although service issues might overlap into more than one sub-regional area. This service review report addresses the agencies located within the Calleguas Creek watershed and includes the following fifteen agencies:

- | | |
|---|---|
| • City of Camarillo | • Pleasant Valley County Water District |
| • City of Simi Valley | • Triunfo Sanitation District |
| • City of Thousand Oaks | • Ventura County Waterworks District No. 1 |
| • Calleguas Municipal Water District | • Ventura County Waterworks District No. 8 |
| • Camarillo Sanitary District | • Ventura County Waterworks District No. 17 |
| • Camrosa Water District | • Ventura County Waterworks District No. 19 |
| • Hidden Valley Municipal Water District | • Ventura Regional Sanitation District |
| • Lake Sherwood Community Services District | |

A database was designed with Ventura LAFCO staff and the each agency's response to the questionnaire was entered into it. The database, which currently has approximately 15,000 entries, will be used for subsequent service reviews, sphere of influence studies and other Ventura LAFCO studies and analysis. The database can be changed and modified as the need and use for information becomes more focused.

The mapping information submitted by the agencies identified areas outside each agency's boundaries where service was currently being provided, areas of overlap with other agencies and illogical service boundaries. These areas were mapped and have been labeled as "special study areas" for use in subsequent sphere of influence studies.

Service issues and associated improvements identified during the process are addressed in more detail in the body of this report and are briefly summarized in the following paragraphs. While some suggested improvements are beyond the purview of LAFCO, they have been included to provide a comprehensive overview of the provision of water and wastewater services in Ventura County.

Infrastructure needs and deficiencies are assessed on a regular basis by agencies. However, some agencies with voter-approved urban limit lines have water and wastewater master plans which could be updated to reflect revised growth projections. There are numerous private and mutual service providers in Ventura County and information regarding their infrastructure needs, services, facilities, rates and budgets should be integrated into the public planning process. While including this information is beyond the scope of this service review and of LAFCO, it remains critical for comprehensive and regional water and wastewater planning.

Population and growth projections used by the agencies in the service review were generally similar. However, to more accurately predict future regional service needs, developing a generally accepted, consistent source and methodology for projecting future growth and population would be invaluable.

To avoid costs and increase shared facilities, sharing information and data among each agency's GIS systems, as is currently being studied by the Calleguas Creek Water Management Plan, could also improve regional water and wastewater planning. For example, some discrepancies between maps of SOIs and jurisdictional boundaries developed by agencies and those used by Ventura LAFCO were noted. It is suggested that the LAFCO GIS system be used as the "official" source of SOI and boundary information in Ventura County to avoid inconsistencies in mapping.

It was difficult to find a means of comparing rates from the diversity of agencies involved in the service review in order to provide meaningful information. The database is being revised to compare water rate information based on size of meters, connection fees or other more appropriate data. Data from the State Water Resources Control Board comparing wastewater rates was used in this service review report.

Some of the water and wastewater agencies in Ventura County might reach greater economies of scale if they were to reorganize with another agency at some point in the future and it is suggested that Ventura LAFCO consider adopting a policy allowing a "zero" sphere of influence designation for such agencies. A zero SOI would not lead to an immediate reorganization of the agency but would indicate that in the future an agency that shares boundaries, services and/or other facilities with another agency might want to consider if efficiencies can be gained through a reorganization. While there may be legal, economic and service provision issues that could

prevent a reorganization, the discussion of service provision, overlapping boundaries and future reorganizations is a central part of any sphere of influence update. In the Calleguas Creek watershed service review area, a zero sphere designation might be considered for Waterworks District # 1, which primarily serves the City of Moorpark, Waterworks District #8, which primarily serves the City of Simi Valley, and the Triunfo SD.

Some of the water and wastewater agencies had no issues associated with provision of services or boundaries; updating their spheres of influence will require relatively little analysis. Two agencies may require more analysis by the Ventura LAFCO staff. The City of Camarillo and the Camarillo SD have several areas of discrepancy between CURB limits, service areas and spheres. The Calleguas MWD service area/SOI and its relation to the service areas of the City of Oxnard and to the service area of the Metropolitan Water District (MWD) may also require additional analysis.

Based on the service review process, it can be concluded that the agencies addressed in the Calleguas Creek watershed service review area are providing efficient, cost-effective services. All the agencies are effectively pursuing management efficiencies, cost avoidance opportunities and shared facilities. Local accountability and governance were also found to be efficient. However, the Triunfo SD should examine the possibility of having an additional board member elected to improve their accountability to local ratepayers. Such a change in the governance structure might require legal review to ensure that any change is consistent with the agency's enabling legislation.

II. SERVICE REVIEW PROCESS

A) LAFCO's RESPONSIBILITIES, SPHERES OF INFLUENCE AND MUNICIPAL SERVICE REVIEWS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code §56000 et seq.) mandates that each LAFCO conduct service reviews prior to or in conjunction with Sphere of Influence (SOI) studies and updates. LAFCOs are also required to review and update the SOI for all agencies not less than once every five years.

The statutory authority (§56430) for service reviews states that LAFCO must prepare an analysis and a written statement of determinations regarding each of the following:

- Infrastructure needs or deficiencies
- Growth and population projections for the affected area
- Financing constraints and opportunities
- Cost avoidance opportunities
- Opportunities for rate restructuring
- Opportunities for shared facilities
- Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers
- Evaluation of management efficiencies
- Local accountability and governance

Service reviews are intended to result in options and future studies which will promote more efficient service patterns, identify areas where service improvement is needed and assess the adequacy of service provision in relation to SOIs. Service reviews are not intended to directly change how services are provided; they are a tool to comprehensively review the major services, the delivery of those services, any issues with the efficient provision of service and potential actions by LAFCO that might address these issues, if any.

B) DESCRIPTION OF PUBLIC PARTICIPATION PROCESS

The Ventura LAFCO water and wastewater service review process started in January 2003 with the preparation of a draft questionnaire. An initial kick-off meeting with all agencies involved in the water and wastewater service review was held to discuss issues and the draft questionnaire.

The final questionnaire, which was distributed to all 36 agencies, was divided into three parts. The first part asked for quantitative data and addressed the agency's services, finances and governance structure. Part I formed the basis of the subsequent database. The second part included questions based on the service review determinations and was intended to give the agencies an opportunity to provide qualitative responses.

The third part of the service review questionnaire consisted of a map with the agency's boundaries and SOI. Each agency was asked to note locations of facilities, overlapping areas of service and any illogical boundaries.

Follow-up interviews with most agencies were conducted; some agencies requested that interviews/meetings be held, if necessary, later in the process. All 36 agencies returned questionnaires although the format, quantity and quality of information returned varied significantly among the agencies. All information collected from the questionnaires was entered into the database, which contains more than 15,000 separate entries and will be used for future SOIs studies, service reviews and LAFCO reports. Due to the variation in information received from the agencies, improvements and refinements to the database are continuing throughout the process. To ensure accurate information, database reports for each agency were sent to all agencies for verification and correction.

Due to the diversity of agencies, services and issues, Ventura County was divided in three sub-regional areas roughly based on watershed boundaries. Agencies were included in only one sub-region although there might be overlap in service areas and issues. A separate, stand-alone service review report will be prepared for each sub-regional area. This service review report is the first of three and it addresses the fifteen agencies in the Calleguas Creek Watershed service review area.

Addressing service reviews on a sub-regional basis not only permitted a more focused analysis but also reduced the need for agencies to allocate staff resources to follow the LAFCO process. The agencies included within each service review sub-region are as follows. The service each agency provides is included in Exhibit 1, Water and Wastewater Municipal Service Review Agencies.

Calleguas Creek Watershed Service Review Area (15 agencies)

- City of Camarillo
- City of Simi Valley

- City of Thousand Oaks
- Calleguas Municipal Water District
- Camarillo Sanitary District
- Camrosa Water District
- Hidden Valley Municipal Water District
- Lake Sherwood Community Services District
- Pleasant Valley County Water District
- Triunfo Sanitation District
- Ventura County Waterworks District No. 1
- Ventura County Waterworks District No. 8
- Ventura County Waterworks District No. 17
- Ventura County Waterworks District No. 19
- Ventura Regional Sanitation District

Ojai/Ventura Service Review Area (11 agencies)

- City of San Buenaventura
- Casitas Municipal Water District
- Meiners Oaks County Water District
- Montalvo Municipal Improvement District
- Ojai Groundwater Management Agency
- Ojai Valley Sanitary District
- Ojai Water Conservation District
- Saticoy Sanitary District
- Ventura County Service Area No. 29
- Ventura County Service Area No. 32
- Ventura River County Water District

Santa Clara Watershed Service Review Area (10 agencies)

- City of Fillmore
- City of Oxnard
- City of Port Hueneme
- City of Santa Paula
- Channel Islands Beach Community Services District
- Fox Canyon Groundwater Management Agency
- Ocean View Municipal Water District
- United Water Conservation District
- Ventura County Service Area No. 30
- Ventura County Waterworks District No. 16

The draft Ojai-San Buenaventura service review report is scheduled to be the second service review report completed and the Santa Clara watershed service review report will be the third and final report.

A copy of the Calleguas Creek watershed draft report and agency determinations was given to Ventura LAFCO staff and their recommended changes were incorporated into a draft report. The draft municipal service review report was distributed to each agency in the Calleguas Creek

watershed service review area. This final draft report incorporates recommendations and corrections from the affected agencies.

The Ventura LAFCO Commission will hear the Calleguas Creek watershed service review report on September 17, 2003. After adoption of the determinations by the Ventura LAFCO Commission, Ventura LAFCO staff can begin to schedule the updates of the SOIs for the agencies.

Exhibit 1 Water and Wastewater Municipal Service Review Agencies

III. FEDERAL, STATE AND LOCAL REGULATORY REQUIREMENTS

This background section is a brief overview of the current regulations for water and wastewater systems and is intended to provide basic information for those who may be unfamiliar with the complex and detailed regulatory requirements.

Numerous federal, state and local laws and agencies regulate water and wastewater. Some of the state and regional plans and policies build upon the federal legislation. In other instances, federal acts have established broad goals, which are to be achieved through implementation at the state and/or local levels. Finally, there are some regulations that are unique to California.

There can be considerable and confusing overlap among the agencies, regulations and associated acronyms. The following section identifies a few of the major federal, state and local regulatory bodies and requirements for both water and wastewater programs.

A) FEDERAL LAWS AND REGULATIONS

The Clean Water Act (CWA), enacted in 1972, and the Safe Drinking Water Act (SDWA), enacted in 1974, are the two major federal laws that regulate the nation's water resources. A brief overview of relevant portions of the CWA is provided below¹:

Federal Water Pollution Control Act of 1972 (Clean Water Act or CWA)

The CWA, with its amendments, is the principal law governing the nation's streams, lakes, and estuaries. It contains regulatory provisions that impose progressively more stringent requirements on industries and cities to reduce pollution and meet the goal of zero discharge of pollutants.

The CWA established as national goals the elimination of pollutant discharges to the navigable waters and the assurance that all navigable waters would be fishable and swimmable. It also established the following regulatory standards:

- No one has the right to pollute the navigable waters of the United States. Dischargers are required to obtain permits.
- Permits shall set limits on the concentration of the pollutants being discharged. A violation of the limits carries a penalty of fines or imprisonment.
- The best technology available shall be used to control the discharge of pollutants.

Other applicable sections of the CWA include:

1. Section 303(d) – Impaired Waters List and Total Maximum Daily Loads
2. Section 319 – Non-point Source Management Program
3. Section 401 – State Water Quality Certification Program
4. Section 402 (p) – The National Pollutant Discharge Elimination System
5. Section 404 – Permits for Dredged or Fill Materials

¹ Calleguas Creek Watershed Management Plan, 2003. The Rick Alexander Company.

CWA Section 303(d) – Impaired Waters List and Total Maximum Daily Loads

This requires each state to identify waters that do not meet water quality standards after application of technologically-based controls. Applicable water quality standards include designated beneficial uses and adopted water quality objectives. Waterways are identified as designated Water Quality Limited Segments (WQLSs) and are prioritized for purposes of developing Total Maximum Daily Loads (TMDLs) and establishing Waste Load Allocations (WLAs) as well as Load Allocations (LAs). The TMDL is the sum of waste load allocations (WLAs) for point sources of pollution, load allocations (LAs) for non-point sources of pollution and natural background sources. Essentially the TMDL is the amount of a pollutant that can be discharged into a water body and still maintain water quality standards.

CWA Section 319 – Non-point Source Management Program

Section 319 regulates non-point source pollutants, which enter water from diffuse sources. Non-point source pollutants are often chemicals from lawns, automobile residues or urban runoff that enter the wastewater stream and water supply in large quantities and sudden surges, largely due to storms. Although California adopted a Non-point Source Management Plan (NPSMP) in 1988, cities and counties have only recently begun adopting local implementing rules and regulations. Control of this type of pollution has proven to be difficult and is expected to require costly upgrades in existing facilities and permit costs, particularly for wastewater facilities with high rates of infiltration.

CWA Section 401 – State Water Quality Certification Program

Prior to the issuance of federal CWA permits, the State Water Resources Control Board, through the regional boards, certifies the quality of surface waters pursuant to Section 401 of the Clean Water Act. Section 401 requires that activities/facilities discharging pollutants into waters must obtain a state water quality certification permit proving that the activity complies with all applicable water quality standards, limitations, and restrictions.

CWA Section 402 – National Pollutant Discharge Elimination System (NPDES)

Municipalities, Publicly Owned Treatment Works (POTWs), and most industries in the United States are now required to obtain an NPDES permit for discharges, including storm water runoff. NPDES permits regulate discharge of “pollutants from point sources to waters of the United States” to ensure that the discharges do not adversely affect surface water quality or beneficial uses. NPDES permits are authorized by Section 402 of the Clean Water Act and Section 13370 of the California Water Code and the California Code of Regulations, Title 23, Chapters 3 and 4. The responsibility for issuing NPDES permits in California has been delegated to the regional water quality control boards, subject to review and approval by the Regional Administrator (US EPA Region IX, San Francisco).

CWA Section 404 – Permits for Dredged or Fill Materials

Clean Water Act Section 404 permits are issued for the placement of dredged or fill materials into water including wetlands. The Section 404 permitting process is designed to ensure that the chemical, physical, and biological functions of the waters are protected. It includes mandatory measures to avoid, minimize, and mitigate impacts. The Section 404 permitting process is administered by the U.S. Army Corps of Engineers.

Coastal Zone Act: Reauthorization Amendments (CZARA) Section 6217 (g)

The US EPA has identified measures to protect coastal waters from non-point source pollutants from agriculture. Specifically, the measures address erosion from cropland, application of nutrients/pesticides, confined animal facilities, grazing land, and cropland irrigation.

Safe Drinking Water Act of 1974 (SDWA)

The SDWA required the EPA to identify potentially harmful contaminants in drinking water and to specify a maximum contaminant level for each contaminant. Water supply systems must meet these standards by using the best technology that is economical, available and technologically feasible.

The SDWA was amended in 1996 to require states to identify potential contamination threats and determine the security of drinking water sources. The amendment also required that qualified professionals operate water systems although California had already established a certification program. Other requirements include the following:

Consumer Confidence Reports

Since 1999, public water systems must provide their customers with an annual water quality report providing data about the quality of the local drinking water, compliance with EPA's safety standards, sources of any contaminants, and potential health risks. The annual reports are included with water bills for systems with more than 10,000 customers; for smaller systems the information can be posted at a central location or published in local newspapers.

Water Conservation Plans

In 1998, the EPA issued guidelines for water conservation plans for public water systems. Now states may require a water system to submit a water conservation plan consistent with the EPA guidelines as a condition of receiving a loan.

Groundwater Standards

Most Americans rely on groundwater as their source of drinking water and tap water and several SDWA rules regulate groundwater protection. It protects underground sources of drinking water under the Underground Injection Control (UIC) program.

Proposed Arsenic Standard

The EPA established the maximum allowable limit for arsenic in drinking water from 50 parts per billion (ppb) down to 5 ppb. Arsenic can produce a variety of health-related problems, including cancer, cardiovascular disease, neurological damage, and diabetes. Many water supplies in California are significantly higher than the 5 ppb level and would not meet the proposed standard without additional (and possibly very costly) treatment.

B) CALIFORNIA LAWS AND REGULATIONS

Porter-Cologne Water Quality Control Act of 1970

The California Water Code (CWC) is the principal state regulation governing the use of water resources within the State of California. This law controls water rights, the construction and management of dams and reservoirs, flood control, conservation, development and utilization of state water resources, water quality protection and management, and management of water-

oriented agencies. The water quality provisions set forth in the CWC have been written to supplement provisions of the Health and Safety Code, Public Resources Code, Fish and Game Code, Food and Agriculture Code, Government Code, Harbors and Navigation Code, California Environmental Quality Act (CEQA) and California Endangered Species Act.

Division 7 of the CWC, the Porter-Cologne Water Quality Control Act of 1970, California 13000 to 14958, regulates water quality and pollution issues within California by protecting water quality and beneficial uses of all state waters. The Porter-Cologne Act is administered regionally by the State Water Resources Control Board and California Regional Water Quality Control Boards (RWQCB). While administration occurs at a regional level, regulations are promulgated on a statewide level to provide consistency. Aspects of the Porter-Cologne Act are similar to federal water quality regulations and programs.

The SWRCB and regional offices have broad powers and implement the CWA through the adoption of plans and policies, the regulation of discharges, the regulation of waste disposal sites and the cleanup of hazardous materials and other pollutants. It also requires reporting of unintended discharges of any hazardous substance, sewage, or oil/petroleum product.

Proposition 65

California's Safe Drinking Water Act, Proposition 65, regulates water facilities with 10 or more employees that manufacture, package, or operate in California or sell products in California. The Act prohibits these facilities from deliberately discharging listed chemicals into sources of drinking water.

Cal-Fed Water Program

The Cal-Fed is a multi-agency cooperative water program that was created to address water issues and disputes in the State of California. Program participants include a wide range of special interests.

California vs. Federal Regulations

Rules

California is fully authorized to administer the National Pollutant Discharge Elimination System (NPDES) for wastewater dischargers and follows federal standards for most effluent discharges and has procedures for obtaining wastewater discharge variances.

Administration and Enforcement

Regional WQCBs are responsible for the administration and enforcement of the water pollution control regulations in California.

Wastewater Permits

California has established its own fee structure for wastewater discharges into surface waters and storm water discharge permitting plans.

Monitoring

California requires monitoring of both surface water and groundwater and has established extensive recordkeeping requirements.

Operating Standards and Requirements

California has established effluent limitations, standards for pretreatment and thermal discharge standards. Some industries and publicly owned treatment works may be affected by additional monitoring requirements (California Toxics Rule).

Variances

The State also has procedures in place for dischargers to obtain alternate permit limitations.

Noncompliance

California has significant penalties for violations of its water pollution control regulations.

IV. PUBLIC AGENCY PROFILES

A) SUBREGIONAL AREAS AND AGENCIES

Of the fifteen public agencies in the Calleguas Creek watershed service review area, eight provide water service, one provides wastewater service and six provide some form of water and wastewater services. Most agencies provide service directly although some agencies contract for water and wastewater services with other entities. One agency, the Triunfo SD, does not provide either water or wastewater service directly but contracts for all services through joint powers agreements (JPAs) or similar arrangements. Ten of the fourteen water agencies provide potable water directly to customers and one agency, the Calleguas MWD, provides wholesale water service to retail water purveyors. While historically the Calleguas MWD has served solely as a water supply wholesaler, the agency is authorized to provide retail service.

Each agency's services and service area are described below. Exhibit 2, Calleguas Creek Watershed Service Review Agencies, shows the services each agency provides in a tabular format.

Calleguas Watershed Sub-regional Area

- **Calleguas MWD**

The Calleguas MWD supplies potable water on a wholesale basis to public, private and mutual water purveyors located in the communities of Camarillo, Moorpark, Oak Park, Oxnard, Port Hueneme, Simi Valley, Thousand Oaks as well as unincorporated areas in southwestern Ventura County. The agency also distributes recycled water and participates in regional conservation and power programs. As a regional wholesaler, the Calleguas MWD plays a unique and significant role in providing water service to retail agencies and as such the agency's operations and fiscal standing are not directly comparable to the retail water purveyors discussed in this report.

- **Camarillo SD**

The Camarillo SD provides wastewater collection and treatment and industrial waste pretreatment programs to a service area located in and around the City of Camarillo. The Camarillo SD is a dependent district. The City of Camarillo Council is the governing board for the agency.

- **Camrosa WD**

The Camrosa WD provides potable water, water reclamation/distribution, wastewater collection/treatment and power generation. Its service area encompasses approximately 31 square miles and includes the Tierra Rejada and Santa Rosa Valleys, the eastern portion of the City of Camarillo and the Cal-State, Channel Islands, campus.

- **City of Camarillo**

The City of Camarillo provides potable water service and water conservation programs to its residents.

- **City of Simi Valley**

The City of Simi Valley provides wastewater service to city residents and to nearby unincorporated areas. Water service is administered through Waterworks District #8 and Southern California Water Company, a private water company.

- **City of Thousand Oaks**

The City of Thousand Oaks provides water services to approximately 40% of the City and to small portions of the surrounding unincorporated community and wastewater service to approximately 90% of the City and surrounding unincorporated area.

- **Hidden Valley MWD**

The Hidden Valley MWD monitors growth and development, water demand and water supplies for 37 ranches served potable water by more than 100 private wells. The agency does not provide direct water service.

- **Lake Sherwood CSD**

The Lake Sherwood CSD provides potable water and all related administrative services to the community of Lake Sherwood. The Ventura County Board of Supervisors is the governing body of the agency.

- **Pleasant Valley CWD**

The Pleasant Valley CWD provides irrigation water to approximately 11,000 acres located on the Oxnard Plain.

- **Triunfo SD**

The Triunfo SD provides potable water, sewage collection, and pumping of reclaimed water to approximately 50 square miles in the southeastern portion of Ventura County. The agency provides service through a contract with the Ventura Regional Sanitation District and through a JPA with the Las Virgenes MWD.

- **Waterworks District #1**

The Ventura County Waterworks District #1 provides water and wastewater services, including all related administrative functions, to the City of Moorpark and unincorporated areas to the north and east. The Ventura County Board of Supervisors is the governing body of the agency.

- **Waterworks District #8**

The Ventura County Waterworks District #8 provides water service, including all administrative functions, to portions of the City of Simi Valley and unincorporated areas of Ventura County. The City Council of Simi Valley is the governing board for Waterworks District #8.

- **Waterworks District #17**

The Ventura County Waterworks District #17 provides water service, including all related administrative functions, to customers in the unincorporated community of Bell Canyon and contiguous areas to the north. The Ventura County Board of Supervisors is the governing body of the agency.

- **Waterworks District #19**

The Ventura County Waterworks District #19 provides water service, including all related administrative functions, to customers in the unincorporated community of Somis and surrounding areas. The Ventura County Board of Supervisors is the governing body of the agency.

- **Ventura Regional SD**

The Ventura Regional SD provides support services to various water and wastewater agencies in Ventura County.

A copy of the database report completed for each agency is included in Appendix A. Figure 1, Calleguas Creek Watershed Service Review Area, shows the regional location and general boundaries of the service review area addressed in this report.

Exhibit 2
Calleguas Creek Watershed Service Review Agencies

| Calleguas Creek Watershed | WATER SERVICES | Retail Domestic Potable Water | Wholesale Water | Water Treatment | Recycled-Reclaimed Water | Agricultural Water | Groundwater Management | Water Replenishment | Water Conservation | WASTEWATER SERVICES | Sanitary Sewer Collection | Sanitary Sewer Treatment | Septic System Monitoring & Maintenance |
|---|----------------|-------------------------------|-----------------|-----------------|--------------------------|--------------------|------------------------|---------------------|--------------------|---------------------|---------------------------|--------------------------|--|
| City of Camarillo | X | D | | | | | | | D | | | | |
| City of Simi Valley | | | | | | | | | | X | D | D | |
| City of Thousand Oaks | X | D | | | C | | | | D | X | D | D | |
| Calleguas Municipal Water District | X | | D | | D | D | D | D | D | | | | |
| Camarillo Sanitary District | | | | | | | | | | X | D | D | |
| Camrosa Water District | X | D | | D | D | D | D | D | D | X | D | D | |
| Hidden Valley Municipal Water District | X | D | | | | | | | | | | | |
| Lake Sherwood Community Service District | X | D | | | | | | | | | | | |
| Pleasant Valley County Water District | X | | | | | C | | | | | | | |
| Triunfo Sanitation District | X | C | | | C | | | | | X | C | C | |
| Ventura County Waterworks District No. 1 | X | D | | D | D | D | D | | D | X | D | D | |
| Ventura County Waterworks District No. 8 | X | D | | D | | D | | | D | | | | |
| Ventura County Waterworks District No. 17 | X | D | | | | D | | | | | | | |
| Ventura County Waterworks District No. 19 | X | D | | D | | D | | | | | | | |
| Ventura Regional Sanitation District | X | | | | | D | | | | X | D | C | |

Services Provided = X (D= Direct, C=Contracted)

Figure 1 Calleguas Creek Watershed Service Review Area

V. GROWTH AND POPULATION

With 1,864 square miles, Ventura County is in the median range for size among California's 58 counties, but ranks 11th in population with a Census 2000 count of 753,000. The County's median household income is just under \$60,000, which is higher than both the State average and that of nearby counties.

The urban density in Ventura County rose from 7.61 people per acre in 1990 to 7.75 in 2000, which mirrors the statewide trend of increasing urban densities. From 1990 to 2000, the County's population grew by 11.2% while the amount of urbanized land increased by approximately 9%.

One of the fastest growing areas in Ventura County is the "East County," which includes the cities of Thousand Oaks, Simi Valley and Moorpark, one of the fastest growing cities in the state.²

Using data from the Ventura Council of Governments (VCOG), the following table (Table 1, Calleguas Creek Service Review Area Population Projections) has been developed:

TABLE 1 CALLEGUAS CREEK SERVICE
REVIEW AREA POPULATION PROJECTIONS

| | FORECAST 2005 | FORECAST 2010 | FORECAST 2015 | FORECAST 2020 | FORECAST 2025 |
|--|------------------|------------------|------------------|------------------|------------------|
| Population | 392,442 | 410,331 | 423,425 | 441,545 | 452,694 |
| Dwelling Units (DU) | 135,213 | 143,040 | 147,252 | 153,168 | 157,090 |
| Countywide Total | 796,387 | 836,186 | 874,881 | 915,005 | 951,080 |
| DOF Totals for Ventura County | 818,600 | 877,400 | 934,000 | 1,007,200 | |

Department of Finance population projections were included as a comparison to VCOG data.

The Calleguas MWD, which is the primary water supplier for more than 70 percent of the residents of Ventura County, prepared a nexus study for its fee structure in 2002. Information in Table 2, Population Projections for the Calleguas MWD Service Area, is taken from that study. Overall, these projections show a 23 percent increase for Calleguas MWD service area over the next 20 years. Much of the growth is concentrated in the cities of Camarillo, Moorpark and Simi Valley.

² "SMART GROWTH IN ACTION, PART 2: CASE STUDIES IN HOUSING CAPACITY AND DEVELOPMENT FROM VENTURA COUNTY, CALIFORNIA". William Fulton, Susan Weaver, Geoffrey F. Segal, Lily Okamura. June 2003

TABLE 2
POPULATION PROJECTIONS FOR CALLEGUAS MWD SERVICE AREA

| COMMUNITY | 2000 | 2005 | 2010 | 2015 | 2020 |
|-----------------------|----------------|----------------|----------------|----------------|----------------|
| City of Camarillo | 75,056 | 82,809 | 89,084 | 93,014 | 96,949 |
| Las Posas | 3,547 | 3,666 | 3,788 | 3,911 | 4,034 |
| City of Moorpark | 30,904 | 31,777 | 32,561 | 33,346 | 42,108 |
| Oak Park | 12,544 | 13,541 | 13,541 | 13,541 | 13,541 |
| City of Simi Valley | 116,172 | 131,099 | 135,621 | 140,994 | 145,700 |
| City of Thousand Oaks | 125,426 | 129,550 | 135,736 | 138,619 | 139,213 |
| Total | 365,651 | 394,449 | 412,343 | 425,442 | 443,567 |

Data source: Calleguas MWD Nexus Study; Ventura Council of Governments 2000 Forecast Data

Agencies included in the service review were asked to provide the estimated population as of 1/2003 for their existing service area. The data is summarized in Table 3, Agency Projections of Current Population. Discrepancies between existing population estimates for the Calleguas MWD service area and as provided by agencies are primarily the result of differences in service areas.

All agencies answering the question "How does your agency determine the projected growth within its current boundaries including sphere of influence?" referenced using the population projections prepared by the Southern California Association of Governments (SCAG), the Ventura Council of Governments (VCOG) and Ventura County. The population projections provided by the agencies varied and although they are generally consistent, the differences can become significant. The differences seem to be the result of agencies using different sources and methods for projections.

During interviews with the water and wastewater agencies in Ventura County, the lack of a generally accepted, consistent source and methodology for projecting future growth and population projections was noted. While this can be a significant issue when agencies are coordinating plans for regional service delivery, it is a problem common to many counties in California. No other significant issues were noted.

TABLE 3
AGENCY PROJECTIONS OF
CURRENT POPULATION

| AGENCY | ESTIMATED POPULATION 1/2003 |
|---------------------|-----------------------------------|
| Camarillo* | 60,546 |
| Simi Valley | 115,000 |
| Thousand Oaks | 109,000 |
| Camrosa WD | 35,000 |
| Hidden Valley MWD | 120 |
| Lake Sherwood CSD | 1,450 |
| Pleasant Valley CWD | 2,000 |
| Triunfo SD | 30,000 |
| Waterworks #17 | 1,927 |
| Waterworks #19 | 2,252 |
| Total | 248,404 |

* Estimate from both the City of Camarillo and the Camarillo SD

VI. INFRASTRUCTURE

The legislation requiring service reviews provided little direction to LAFCOs for evaluating infrastructure needs and deficiencies. The Governor's Office of Planning and Research (OPR) developed draft Service Review Guidelines in 2003 but as of the date of this report the Guidelines were still in draft form. The Draft OPR Guidelines included twelve suggested factors LAFCOs could use in identifying an agency's infrastructure needs and deficiencies. Several of the factors, including governmental structure options, duplicative facilities and locations of facilities, have been addressed in other portions of this report.

The Ventura LAFCO service review questionnaire used the presence and frequency of master plans as well as an annual capital improvement (CIP) budget as a means of assessing an agency's process of evaluating infrastructure needs and deficiencies. Master plans and CIPs, as plans for future service needs, are public documents reviewed the governing body, other affected agencies and the public. Agencies that are small, provide limited service, or are fully built-out may not have master plans; however, most public agencies prepare annual CIP budgets as a means of meeting current and future service needs.

Agencies were asked to report the date of the current master plan and previous master plan. While there are no established standards for the frequency of preparation, typically master plans for water and wastewater agencies are prepared every 5-10 years. The type of service area (i.e., level of development, rate of growth or presence of growth control initiatives) can also affect the frequency of preparation.

Four agencies (Hidden Valley MWD, Pleasant Valley CWD, Ventura Regional SD and the Triunfo SD) reported no formal master plans. The Hidden Valley MWD is a small agency encompassing approximately 5,000 acres. The 37 ranches in the agency receive water from more than private 100 wells. Since the agency does not provide direct water service to the residents, there is no need for a master plan. While the future need for service is limited, the District is working with the County to document and map active wells within their boundaries in order to maintain accurate records of groundwater usage. The Hidden Valley MWD is also discussing the possibility of developing an emergency back-up water supply with adjacent private and public water purveyors.

Private wells and their impact on groundwater supplies is an ongoing concern throughout Ventura County. Not all active wells in Ventura County are metered and this is a significant obstacle to accurately gauging groundwater supply. It is suggested that the Hidden Valley MWD as well as all other water purveyors in Ventura County encourage the metering of all wells to provide comprehensive data which can be collected and used for regional water projections.

The Pleasant Valley CWD serves 39 retail and 118 agricultural customers in a service area of approximately 11,000 acres. As territory develops, it is typically detached from the agency. The District uses its annual CIP program to address existing infrastructure needs and deficiencies.

The Triunfo SD noted that while the agency does not have a water master plan, per se, it is a member of the California Urban Water Conservation Council. It includes annual Best Management Practices reports in its Urban Water Management Plan, which is updated every five years and filed with the State of California. Also while the Triunfo SD does not have an

individual wastewater master plan, it was included in the 2000 master plan prepared by its joint venture partner, Las Virgenes Municipal Water District.

The Ventura Regional Sanitation District provides staff and support through contracts to other agencies and relies on the master plans of those agencies to determine infrastructure needs and deficiencies.

Table 4, Master Plans and CIPs, shows the agencies and information regarding master plans and capital improvements budgets. One issue noted during the service review is that some agency master plans have not been updated since voters approved the urban limit lines for a majority of Ventura County cities. Since the urban limit lines significantly affect the rate and location of growth, agencies should consider updating and coordinating master plans to be consistent with the mandates of the voter approved urban limit lines.

TABLE 4
MASTER PLANS AND CIPS

| | WATER MASTER PLAN | DATE | CIP BUDGET | WASTEWATER MASTER PLAN | DATE | CIP BUDGET |
|---------------------|-------------------------|----------------|---------------|---------------------------|------|---------------|
| Camarillo | In progress | 1999 | Yes | NA | NA | NA |
| Simi Valley | NA | NA | NA | Yes | 1985 | Yes |
| Thousand Oaks | Yes | In progress | Yes | Yes | 2002 | Yes |
| Calleguas MWD | Yes | 1999 | Yes | NA | NA | NA |
| Camarillo SD | NA | NA | NA | Yes | 1999 | Yes |
| Camrosa WD | In progress | 1990 | Yes | In progress | 1990 | Yes |
| Hidden Valley MWD | No | NA | NA | NA | NA | NA |
| Lake Sherwood CSD | Yes | 1994 | Yes | NA | NA | NA |
| Pleasant Valley CWD | No | NA | Yes | NA | NA | Yes |
| Triunfo SD | No | NA | Yes | No | NA | Yes |
| Waterworks #1 | Yes | 1992 | NA | Yes | 1992 | Yes |
| Waterworks #8 | Yes | 1986 | Yes | NA | NA | NA |
| Waterworks #17 | Yes | 1986 | Yes | NA | NA | NA |
| Waterworks #19 | Yes | 1985 | Yes | NA | NA | NA |
| Ventura Regional SD | No | NA | NA | NA | NA | NA |

The service review questionnaire also asked for a wide range of information regarding the capacity, age, storage, peak demand and sources of water. The information was gathered to allow Ventura LAFCO to adopt the legally required determinations for service reviews while also building a database of information that could be used to analyze and update spheres of influence.

Table 5, Water System Information, depicts data obtained from responses to the service review questionnaire regarding number of customers, capacity and the system/facilities of the retail

systems. Information for the Calleguas MWD, as a wholesale agency, and for wastewater agencies and departments is described separately.

TABLE 5
WATER SYSTEM INFORMATION

| | TOTAL # OF CONNECTIONS | MILE OF LINES | STORAGE (IN DAYS) | ESTIMATED PEAK DEMAND (MGD) | ESTIMATED PEAK CAPACITY (MGD) | PERMITS CURRENT |
|------------------------|------------------------------|------------------|----------------------|-----------------------------------|-------------------------------------|--------------------|
| Camarillo | 11,473 | 150 | 2.1 | 14 | 30 | Yes |
| Thousand Oaks | 16,123 | 272 | 2.5 | 17.7 | 35 | Yes |
| Camrosa WD | 10,382 | 139 | 1 | 20 | 33 | Yes |
| Hidden Valley MWD* | NA | NA | NA | NA | NA | NA |
| Lake Sherwood CSD | 570 | 17.72 | 7.14 | 1.60 | 5 | Yes |
| Pleasant Valley CWD | 118 | 37 | 75 CFS | 70 AFD | 70AFD | Yes |
| Triunfo SD | 4,733 | 41.03 | 2 | 6.2 | 9 | Yes |
| Waterworks #1 | 9,248 | 121 | 2.39 | 18 | 19.16 | Yes |
| Waterworks #8 | 22,968 | 400 | 1 | Variable | 40 | Yes |
| Waterworks #17 | 642 | 14.5 | 2.96 | 2.31 | 3 | Yes |
| Waterworks #19 | 1,025 | 54.62 | 2.46 | 2.95 | 3.19 | Yes |

* The sole source of water for the 37 separate ranches in the Hidden Valley MWD comes from more than 100 private wells.

No significant areas of infrastructure deficiencies were noted and the future need for new and/or upgraded infrastructure has been addressed by the agencies through master plans and/or annual CIP budgets and plans. All water agencies have current permits and 2003 water quality reports.

A common concern among all agencies was the uncertain and diminishing supply of water. This is a problem common to all of Southern California and is being addressed on the regional, state and federal level.

A related issue specific to Ventura County is the presence of private and mutual water companies and their impact on water supply and demand. Although private water service providers, both investor-owned and mutual, are outside LAFCO's jurisdiction, they serve important roles in the provision of service. Some of the larger private and mutual water agencies are virtually indistinguishable from public agencies; they plan for present and future infrastructure needs, meet all regulatory requirements and have adequate financial resources. However, some of the small ones, like smaller public agencies, have difficulty reaching economies of scale. LAFCO's involvement with private and mutual water purveyors is limited to changes in the public governmental structure which affect private and mutual water purveyors, i.e., when a public agency acquires a private water company and must annex the area.

Currently, the California Public Utilities Commission (CPUC) regulates investor-owned water and sewer system utilities only (sole proprietorship, partnership or corporation). It also sets rates and enforces standards for safety. Mutual water utilities (corporations in which each

customer owns one share of stock) or private companies owned by homeowner associations are exempt if they serve only their stockholders or members (no outside parties).

During the service review the following private or mutual water service companies were identified as providing service in the Calleguas Creek watershed service review area:

- California Water Service Company (Thousand Oaks)
- California-American Water Company (Thousand Oaks)
- Southern California Water Company (Simi Valley)
- Pleasant Valley Mutual Water Company
- Oak Park Water Service Company (the potable water agency for the Triunfo SD)
- Brandeis Mutual Water Company (Simi Valley)

It is sometimes difficult for local agencies and customers to obtain rate, capacity and other information about private/mutual water purveyors. Planning for Ventura County's future infrastructure needs and deficiencies must include appropriate information from all water agencies. Since Ventura County and the wholesale water agencies work closely with these private concerns, information about private water purveyors could be gathered from the CPUC, Department of Health Services, Ventura County and the Calleguas MWD. It is suggested that the Ventura LAFCO database be expanded to include information regarding private and mutual water companies in order to more accurately assess present and probable service demand and supply.

Wholesale Water

The Calleguas MWD is the wholesale agency for the service review area. It imports, stores, treats and distributes potable water. The District also distributes reclaimed water from other agencies. The District's entire drinking water supply, provided by the California State Water Project, is treated and conveyed through 130 miles of pipeline to local water agencies for delivery. Exhibit 3, Calleguas MWD Water Sales, shows the volume sales of Calleguas through June of 2003 and Exhibit 4, Calleguas MWD Facilities, the facilities and capacity of the agency. The Calleguas MWD has prepared master plans and numerous studies addressing the issue of infrastructure needs and deficiencies for wholesale water in the service review area.

Exhibit 3
2003 CALLEGUAS MWD WATER SALES

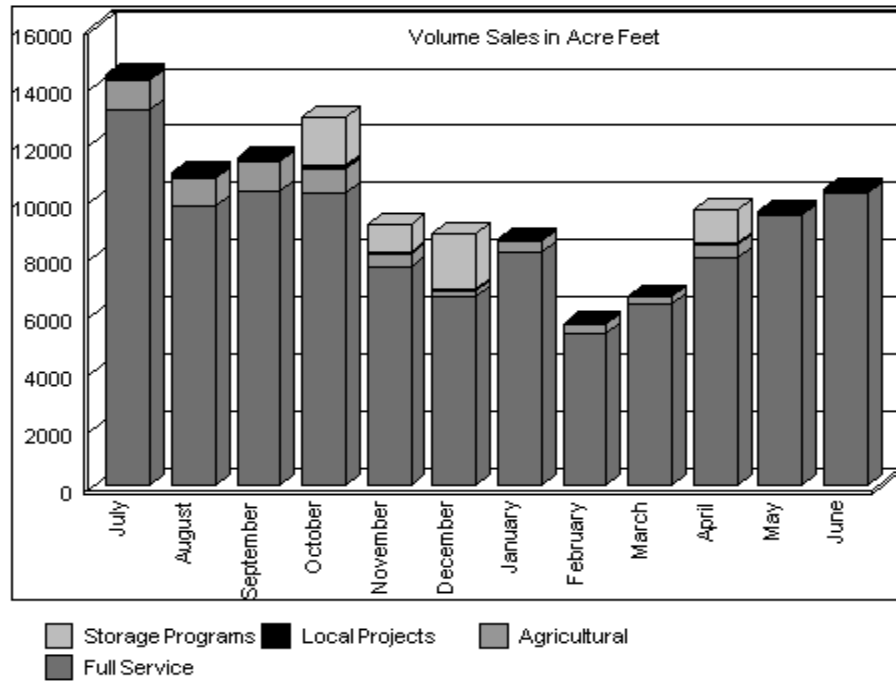


Exhibit 4
CALLEGUAS MWD FACILITIES

Ventura LAFCO Water and Wastewater Service Review

Calleguas Municipal Water District

Summary of Facilities and Capacities

| Pipelines | Miles | Regional Capacity | Pipeline Type | Year Built |
|--|-------|-------------------|----------------|------------|
| Simi Valley (Calleguas Conduit 1-5) Incl. Bell Canyon | 28.4 | 90 CFS | PCCP, WSP, CCP | 1964-83 |
| Moorpark Incl. Somis, Las Posas Valley | 31.1 | 70 CFS | CCP, WSP, PCCP | 1966-77 |
| Camarillo (OSR Feeder 1-7) Incl. Santa Rosa Valley | 30.4 | 50 CFS | WSP, CCP | 1965-94 |
| Thousand Oaks Incl. Lake Sherwood, N. Ranch | 46.4 | 95 DCFS | CCP, WSP, PCCP | 1964-97 |
| Oak Park Incl. Ahmanson | 8.9 | 28 CFS | CCP, WSP | 1966-69 |
| Oxnard Incl. Port Hueneme | 0 | 50 CFS | | |

| II. Reservoirs | A.F. | Location | Year Built |
|----------------|------|---------------|------------|
| Chesebro | 4.0 | Oak Park | 1968 |
| Conejo | 5.0 | Thousand Oaks | 2001 |
| Clearwell A | 4.0 | Thousand Oaks | 1995 |
| Clearwell B | 4.0 | Thousand Oaks | 1995 |
| Fairview | 2.0 | Moorpark | 1974 |
| Grimes Cyn | 5.0 | Moorpark | 2003 |
| Lake Sherwood | 3.2 | Thousand Oaks | 1989 |
| Lindero | 4.0 | Thousand Oaks | 1993 |
| Newbury Park | 3.7 | Thousand Oaks | 2002 |
| Oak Park | 1.8 | Oak Park | 1998 |
| Springville A | 9.0 | Camarillo | 1975 |
| Springville B | 9.0 | Camarillo | 1990 |
| Thousand Oaks | 7.0 | Thousand Oaks | 1963 |
| Westlake | 7.0 | Thousand Oaks | 1968 |
| Total Capacity | 68.7 | | |

| III. Surface Storage | A.F. | Location | Year Built |
|----------------------|--------|---------------|------------|
| Lake Bard | 10,000 | Thousand Oaks | 1965 |

IV. Aquifer Storage and Recovery
Las Posas Wellfield
Construction in progress

| IV. Water Treatment | | | |
|----------------------------------|--------|---------------|------|
| Lake Bard Water Filtration Plant | 50 MGD | Thousand Oaks | 1995 |
| Expansion in progress. | | | |

WASTEWATER AGENCIES

Wastewater agencies and departments were asked a similar series of questions about the capacity of their facilities. Responses and additional information taken from the State Water Resources Control Board "Wastewater User Charge Survey Report FY 2001-02" are summarized in the Table 6, Wastewater Agency Information.

TABLE 6
WASTEWATER AGENCY INFORMATION

| | TOTAL # OF CONNECTIONS | RATED CAPACITY (MGD) | ADWF* (MGD) | TREATMENT LEVEL | MILES OF LINES | PERMIT VIOLATIONS |
|---------------|---------------------------|----------------------------|----------------|-----------------------|-------------------|----------------------|
| Simi Valley | 33,712 | 12.5 | 9 | Tertiary | 500 | No |
| Thousand Oaks | 36,435 | 12 | 10.9 | Tertiary | 532 | Infrequent |
| Camarillo SD | 12,489 | 6.75 | 3.75 | Secondary | 150 | No |
| Camrosa WD | 7,364 | 1.5 | 1.25 | Tertiary | 40 | No |
| Triunfo SD | 12,250 | 4.7 | 2.85 | Tertiary | 255 | None Reported |
| Waterworks #1 | 8,301 | 3 | 2.2 | Advanced Secondary | 91 | No |
| Total | 110,551 | 35.75 | 29.95 | NA | NA | NA |

*Average Dry Weather Flow

All of the wastewater agencies except the Triunfo SD have master plans and use their annual CIP program to address existing and future infrastructure needs and deficiencies. The Triunfo SD noted that while it does not have an individual master plan, it is included in the master plan prepared by the Las Virgenes MWD, with which it co-owns the Tapia Water Reclamation Facility and Rancho Las Virgenes Composting Facility. The figures for the Triunfo SD represent its share of those facilities.

VII. FINANCING CONSTRAINTS AND OPPORTUNITIES

A series of questions was included in the service review questionnaire as a means of evaluating financial constraints and opportunities in relation to existing and projected service needs. Information collected addressed total revenues and expenditures, bond ratings, reserve levels and the presence of audits.

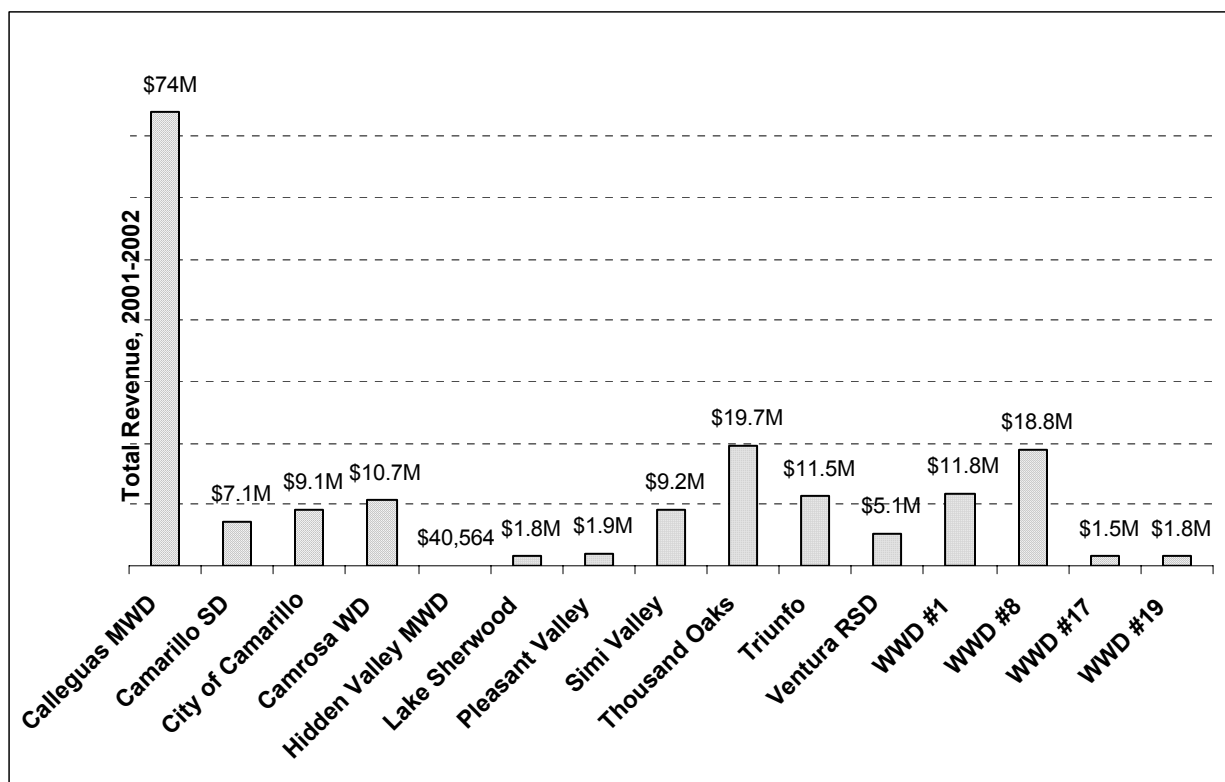
Agencies were also asked to identify any financing constraints and opportunities that affect the service provided and the infrastructure needs. Beyond existing legislative, political and governmental regulations, few agencies identified any additional financing constraints except for the cost of infrastructure and of insurance. Agencies noted that their governing board looked at rates annually to ensure a balance between rates and capital needs. Maintaining reasonable rates for customers was cited as a self-imposed financing constraint.

The service review questionnaire asked agencies to provide total revenues, revenue sources, CIP budget and reserves for the previous three fiscal years. That information is summarized for each agency in Appendix B.

No significant issues were noted for any of the agencies in relation to financing opportunities and constraints. Exhibit 5, Agency Revenue Comparison, and Exhibit 6, Aggregate Sources of Agency Revenue, compare total revenues for all agencies and aggregate sources of revenues. Data from FY 2001-2002 was used to compare actual numbers.

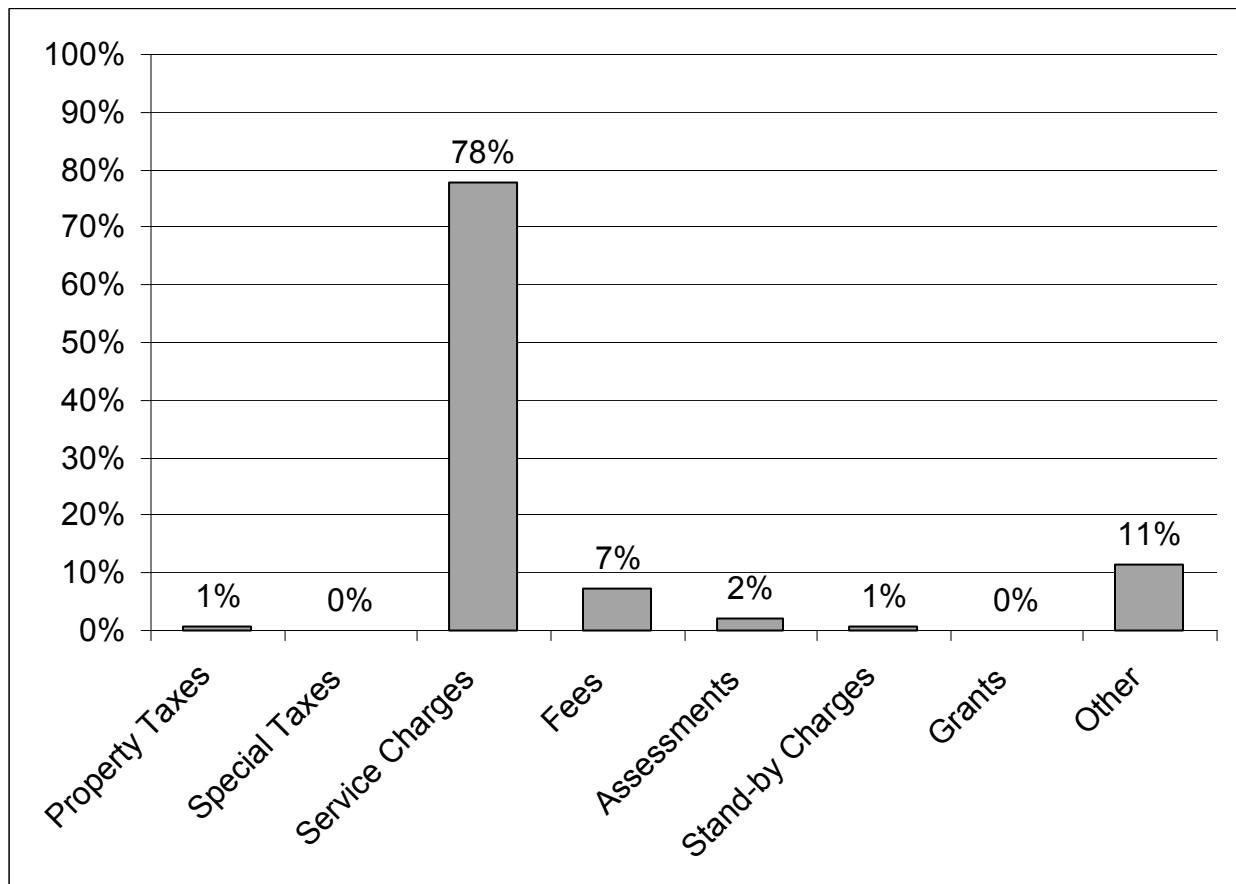
Generally revenues for all agencies are proportional to their size and service area. The revenue for the Calleguas MWD is higher than other agencies due to the high volume of its imported, wholesale water sales.

Exhibit 5
2001-2002 AGENCY REVENUE COMPARISON



As enterprise activities, the primary revenue source for all water and wastewater agencies comes from service charges and fees directly related to the provision of services. Other income generally comes from interest from various funds. Exhibit 6, 2001-2002 Aggregate Sources of Agency revenues, shows that water and wastewater agencies, as enterprise funds, derive most of their revenue from fees and charges.

Exhibit 6
2001-2002 AGGREGATE SOURCES OF AGENCY REVENUES



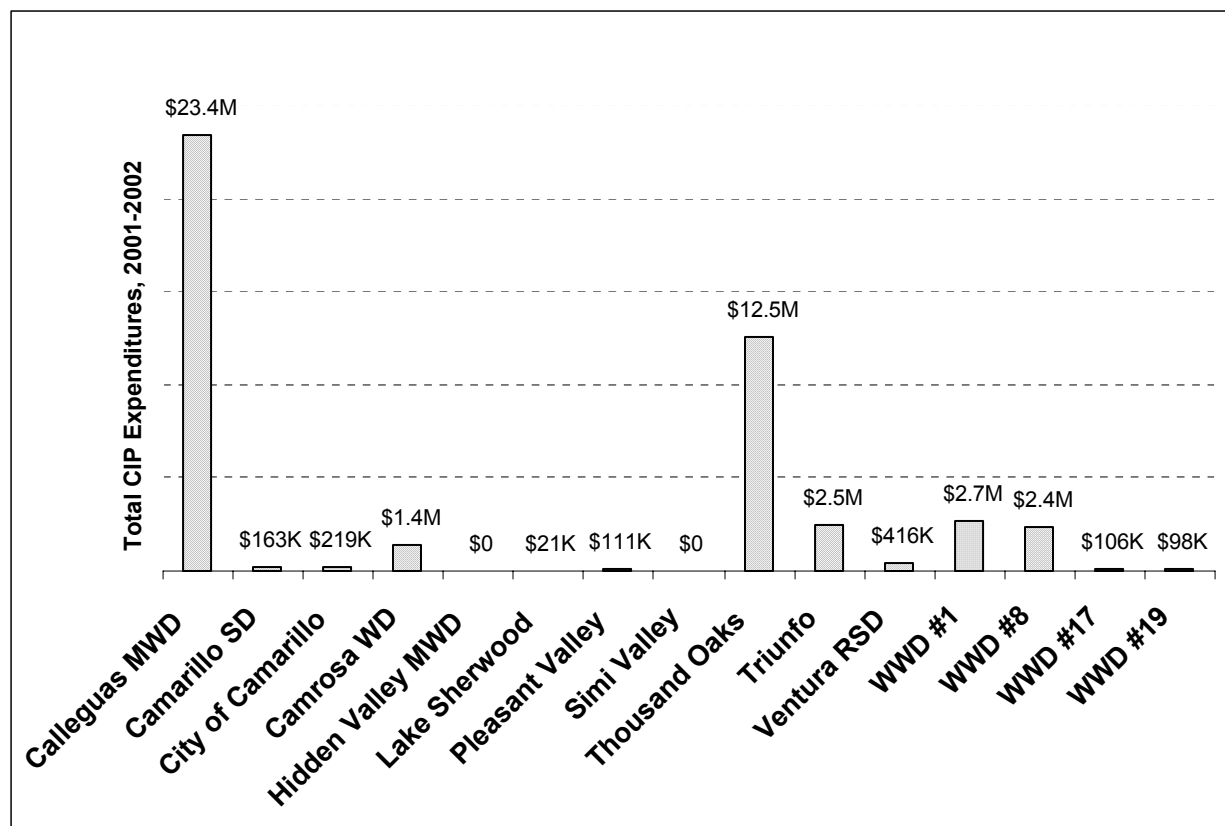
The amount of property tax revenue each agency received during FY 2001-2002 is shown in Table 7, 2001-2002 Property Tax Revenue. Property tax revenue for cities was not reported.

A comparison of the capital improvement financial requirements for the Fiscal Year 2001-2002 is shown in Exhibit 7, 2001-2002 Agency CIP Comparisons. CIP costs were generally consistent across agencies except for the Calleguas MWD and the City of Thousand Oaks. The Calleguas MWD is currently upgrading facilities and constructing various major infrastructure projects such as Las Posas well field and additional storage facilities. The City of Thousand Oaks is in the process of constructing multi-year upgrades and improvements to its water and wastewater facilities.

TABLE 7
2001-2002 PROPERTY TAX REVENUE

| | PROPERTY TAX REVENUE |
|---------------------|-------------------------|
| Camarillo | NA |
| Simi Valley | NA |
| Thousand Oaks | NA |
| Calleguas MWD | \$3,750,800 |
| Camarillo SD | \$689,050 |
| Camrosa WD | \$634,950 |
| Hidden Valley MWD | \$4,276 |
| Lake Sherwood CSD | None |
| Pleasant Valley CWD | \$107,500 |
| Triunfo SD | None |
| Waterworks #1 | \$30,341 |
| Waterworks #8 | None |
| Waterworks #17 | None |
| Waterworks #19 | None |
| Ventura Regional SD | None |

Exhibit 7
2001-2002 AGENCY CIP COMPARISON



Data about agency reserve levels was collected as part of the service review. The issue of reserve levels was raised as a general statewide concern in the 2000 Little Hoover Commission report on special districts. That report concluded that some agency reserves appear unreasonably large, are not integrated into infrastructure planning and are obscure. Data collected for this service review did not find that the agencies in the Calleguas Creek watershed service review area showed evidence of the concerns noted by the Little Hoover Commission for agencies in other parts of California.

Ventura LAFCO asked agencies to report reserves in the categories of operating, capital, rate stabilization, restricted and other for the previous three fiscal years. Exhibit 8, 2001-2002 Aggregate Agency Reserve Comparison compares aggregate reserve amounts.

Setting specific levels of reserves for the diversity of agencies addressed in this service review report is impracticable. The different services, service areas, customer bases, condition of infrastructure, capital improvement programs and other issues require reserve levels specific to each agency. Agencies with large reserves typically have major, long-term capital improvement projects. For example, the City of Thousand Oaks and the Calleguas MWD both have, in relation to other agencies, a high level of reserves. However, both agencies have major, multi-year capital improvement projects in progress to meet increased regulatory requirements regarding water quality and to increase the use of reclaimed water.

In addition, the City of Thousand Oaks also has a state loan to fund infrastructure improvements. The Calleguas MWD noted that insurance for its facilities, which include a dam and a reservoir, is prohibitively expensive. Consequently, it maintains sizable reserves, in part, as a form of self-insurance.

The Triunfo SD noted that it inadvertently failed to report investments restricted as debt service reserve on the service review questionnaire. It added that as of 6/30/02,

“....these restricted debt service reserves were just under \$2.1 million. Also, while TSD does not have funds specifically set aside as operations or rate stabilization reserves, it maintains significant working capital (averaging about \$6 million) for cash flow purposes.”

All reserve levels reported by the agencies were clearly segregated into the uses for the reserves—operating and rate stabilizations, restricted debt reserves and capital reserves funds.

Exhibit 8
2001-2002 AGENCY RESERVES COMPARISON

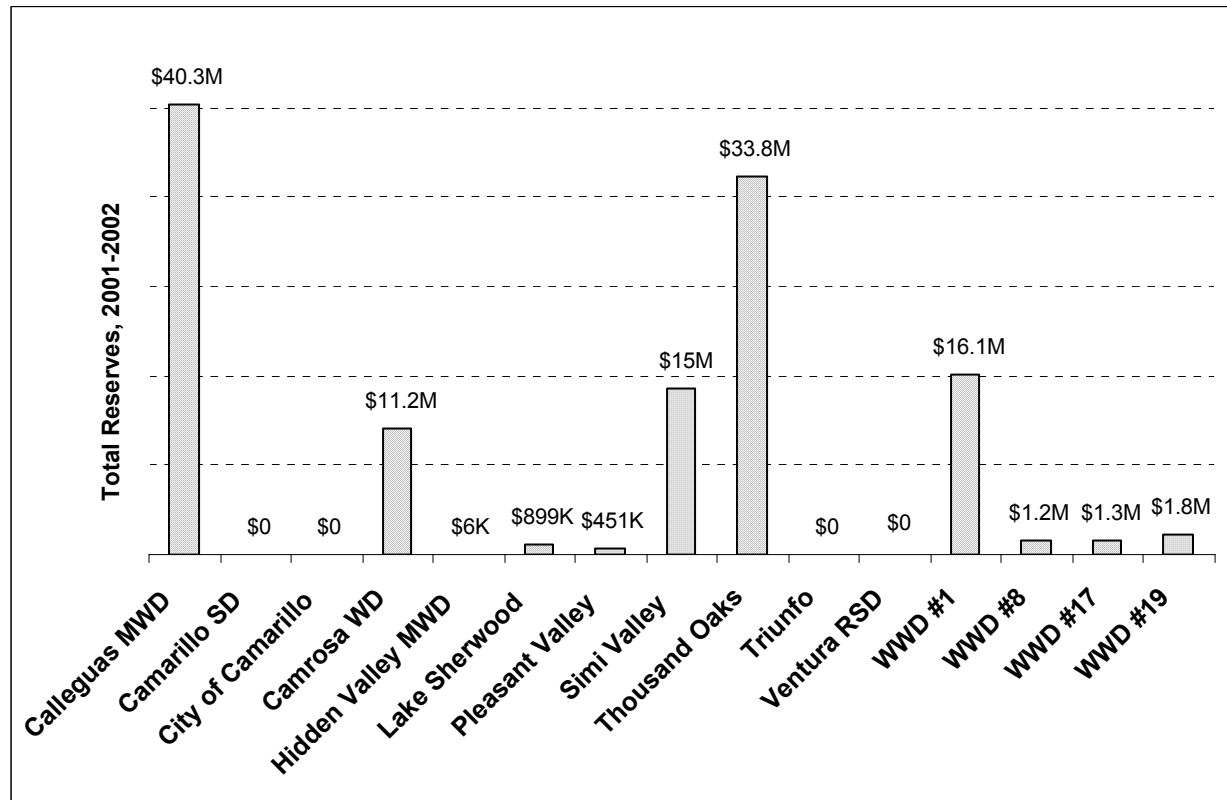
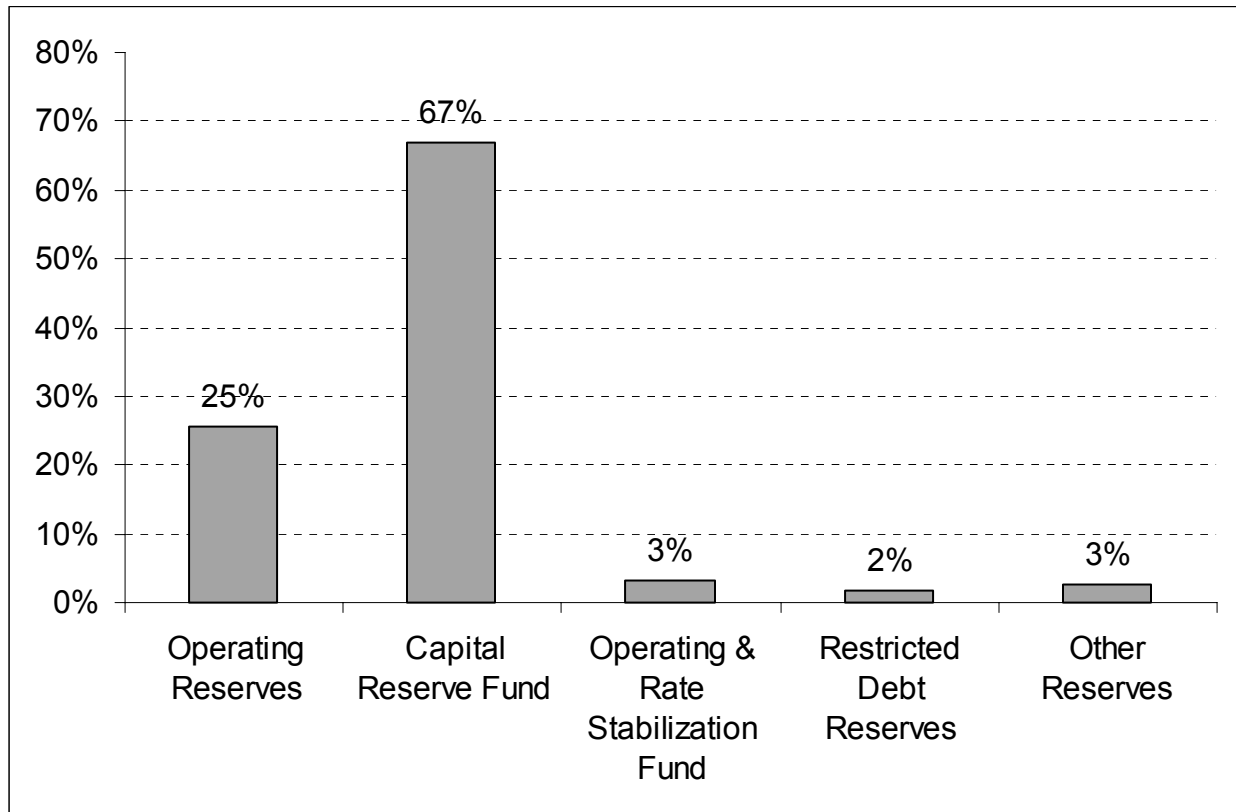


Exhibit 9, Aggregate Reserves by Category, supports the link between capital improvement projects and reserve levels. Almost 70% of the reserves were earmarked for capital reserve funds. High capital reserve levels indicate an agency's need to maintain adequate reserves for planned infrastructure improvements/upgrades, meet expected demand and to comply with stricter regulatory requirements.

In the service review questionnaire, agencies were asked to report operating reserves and operating/rate stabilization reserves separately. Operating reserves were defined as unallocated general reserves that are set-aside for budgetary shortfalls or for purposes not specifically designated. Operating and rate stabilization funds were defined funds used to temper short-term fluctuations in delivery costs and to maintain constant and predictable rates to customers. Due to an error in the service review questionnaire, these definitions were not clear and most agencies noted in their responses that the two categories were typically considered the same. Therefore in Exhibit 9, Aggregate Reserves by Category, the two categories of reserves, Operating and Operating/Rate Stabilization, were combined.

Exhibit 9
AGGREGATE RESERVES BY CATEGORY



The combined reserve categories of Operating/Operating and Rate Stabilization represent approximately 28% of total reserves. As mentioned previously, there are no generally accepted levels for operating reserves. However, the Little Hoover Commission report noted that the International City Managers Association recommends, as one criteria of solvency, that a city government have three months of operating expenses in reserves. Using that criterion, Table 8, Estimated Three Month Reserves, shows the estimated monthly and three month total of operating expenses for each agency, the combined amount of Operating/Operating and Rate Stabilization reserves and the number of months of operating reserves reported by the agencies. In general, special districts have more than three months operating reserves due to fluctuations in costs and the absence of other reserves often held by municipalities.

TABLE 8
ESTIMATED 3-MONTH RESERVES

| | ESTIMATED MONTHLY OPERATING EXPENSES | ESTIMATED THREE MONTH OPERATING EXPENSES | TOTAL OPERATING RESERVES | NUMBER OF MONTHS OF OPERATING RESERVES |
|---------------------|---|--|-----------------------------|---|
| Camarillo | \$674,175 | \$2,022,525 | \$4,033,642 | 6 |
| Simi Valley | \$775,733 | \$2,327,200 | \$2,462,755 | 3 |
| Thousand Oaks | \$1,658,638 | \$4,975,916 | \$2,513,100 | 1.5 |
| Calleguas MWD | \$5,656,237 | \$16,968,713 | \$40,304,342 | 7 |
| Camarillo SD | \$556,257 | \$1,668,773 | \$3,371,798 | 6 |
| Camrosa WD | \$842,626 | \$2,527,878 | None Noted | NA |
| Hidden Valley MWD | \$2,827 | \$8,483 | \$6,631 | 2 |
| Lake Sherwood CSD | \$128,159 | \$384,477 | \$200,000 | 1.5 |
| Pleasant Valley CWD | \$179,750 | \$539,250 | \$477,270 | 2.6 |
| Triunfo SD | \$730,272 | \$2,190,816 | None Noted | NA |
| Waterworks #1 | \$1,161,568 | \$3,484,705 | \$5,677,500 | 4.8 |
| Waterworks #8 | \$1,623,283 | \$4,869,850 | \$541,000 | 0.3 |
| Waterworks #17 | \$134,804 | \$404,412 | \$501,300 | 3.7 |
| Waterworks #19 | \$124,890 | \$374,669 | \$884,679 | 7 |
| Ventura Regional SD | \$499,849 | \$1,499,549 | None Noted | NA |

In comments received on the draft Calleguas Creek service review report, t1 that it maintains approximately \$6,000,000 as “working capital” for operational/rate stabilization reserves. It also noted that since it collects sewer service charges on the tax rolls, it maintains at least 6 months of operating capital. 1

VIII. COST AVOIDANCE OPPORTUNITIES

In evaluating cost avoidance opportunities, Ventura LAFCO examined current practices used by the agencies to reduce or avoid costs including the use of outside vendors and contractors. Overlapping or inefficient service boundaries were also examined as a means that Ventura LAFCO can use to encourage efficiently provided water and wastewater services and avoid costs. As part of the service review process, all water and wastewater agencies were given LAFCO generated maps of their jurisdictional and sphere of influence boundaries. Agencies were asked to note on the maps:

- Areas of duplication of planned or existing facilities with another agency
- Areas better served by another agency
- Areas better served by the responding agency
- Areas outside the agency’s boundaries which currently receive service
- Areas difficult to serve or with illogical boundaries

Ventura LAFCO and the consulting team then mapped the changes noted by the agencies and labeled them as “special study areas”. In addition, areas where the existing sphere of influence

or jurisdictional boundary varied from any voter approved urban limit/growth line were also mapped and labeled as special study areas. During interviews, the staff of some agencies noted areas with service issues. These areas were also mapped. Finally, existing island areas in Ventura County, as noted in an annexation policy approved by the Ventura Commission in April of 2003, were mapped as special study areas. The policy requires the annexation of the following islands as a condition of approval for proposals involving a change of organization or reorganization of 40 acres or more.

Camarillo

Approximately 35-acre island north of Las Posas Road and Lantana Street

Simi Valley/Waterworks District #8

Approximately 13-acre island near Vista Lago Drive

Approximately 49.49 acres in two separate unincorporated islands near Avenida Simi and Anderson Drive

Approximately 54.51-acre island adjacent to Ditch Road

39.8-acre island between Faxton Court and Felix Avenue.

Thousand Oaks

5 separate islands totaling 39.8-acres near Lynn Road and Kelly Lane.

The service provision issues of the special study areas were not studied in depth as part of this report. The purpose of the mapping was to develop a GIS-based system that Ventura LAFCO could use for future sphere of influence studies or other studies. It can also be used as a means of ranking subsequent sphere studies. For example, several of the agencies included within the Calleguas Creek watershed service review area did not note any service issues with their boundaries or spheres of influence and subsequent interviews and analysis confirmed the information. These agencies are expected to have few or no issues with updating their current sphere of influence. Of the fifteen agencies included within this service review report, nine are considered to have either no issues with their SOI update or minor issues requiring little additional research and analysis.

Table 9, Special Study Areas, lists the agencies included within the Calleguas Creek watershed service review area with special study areas and SOI issues. Maps for those agencies with issues or special study areas are included in the body of this report. Revised maps for all agencies with suggested study areas are part of the updated Ventura LAFCO GIS system.

Three agencies, the City of Simi Valley, the Triunfo SD and Waterworks District #8, will require some additional analysis of areas that are outside the agency boundaries or SOI, that represent islands or that have discrepancies between the agency SOI and existing urban limit lines. The sphere of influence for cities should be consistent with voter-approved urban limit lines since the municipality would typically not extend services beyond the voter-approved growth boundary. The issue of the special districts that overlap agencies with voter approved growth limit boundaries should be also be considered during the SOI process.

Only three agencies are considered to have more complex boundary issues, which may require more extensive research or analysis. The City of Camarillo and the Camarillo SD have discrepancies between the service areas of both agencies, the CURB limits and areas receiving or requiring service. While not complex, the analysis must deal with these discrepancies. The Calleguas MWD SOI and service area will also require extensive analysis primarily due to the large service area and the possibility of reorganizing the agency with smaller agencies within its boundaries.

Finally, it is a reasonable assumption that some wastewater and water agencies in Ventura County will or should, at some point in the future, consider a reorganization with another service provider to gain efficiencies or economies of scale. The reasons for potential reorganizations are varied and may be linked to the size of the agency, the location of its facilities, regional growth patterns or the cost of stricter regulatory requirements. Some agencies currently serve limited areas, do not directly provide services or have spheres coterminous with their agency boundaries. A coterminous SOI indicates that it is not expected that there will be a future need for the agency's services beyond the existing boundaries.

TABLE 9
SPECIAL STUDY AREAS

| | SPECIAL STUDIES AREAS | SUMMARY OF ISSUE | ESTIMATED LEVEL OF ANALYSIS REQUIRED |
|---------------------|-----------------------|--|--------------------------------------|
| Camarillo | Yes | 1) Discrepancies between SOI and SOAR 2) Areas outside agency getting service 3) Areas within agency on septic systems | High |
| Simi Valley | Yes | 1) Island areas 2) Discrepancies between SOI and CURB 3) Future service issues in Santa Susana Knolls | Moderate |
| Thousand Oaks | Yes | 1) Islands | Low |
| Calleguas MWD | Yes | 1) Islands 2) SOI and relationship to other agencies' SOI 3) Pending development areas | High |
| Camarillo SD | Yes | 1) Areas outside agency getting service 2) Pending development areas | High |
| Camrosa WD | Yes | 1) Facilities/service outside agency | Low |
| Hidden Valley MWD | None noted | None noted | Low |
| Lake Sherwood CSD | None noted | None noted | Low |
| Pleasant Valley CWD | Yes | 1) Areas no longer used for agricultural uses should be detached from the agency | Low |
| Triunfo SD | Yes | 1) Discrepancies between SOI and agency boundaries | Moderate |
| Waterworks #1 | Yes | 1) Island areas | Low |
| Waterworks #8 | Yes | 1) Island areas 2) Future service to Santa Susana Knolls | Moderate |
| Waterworks #17 | Yes | None noted | Low |
| Waterworks #19 | None noted | None noted | Low |
| Ventura Regional SD | None noted | None noted | Low |

It is suggested that Ventura LAFCO consider developing a policy allowing a "zero" sphere of influence designation for these agencies. Annexations to an agency with a zero sphere might require more in-depth analysis or might be prohibited according to the policy developed. A "zero" sphere designation could ensure more efficient planning for future service. In the

Calleguas Creek watershed service review area, a zero sphere designation could be considered for Waterworks District # 1, which primarily serves the City of Moorpark, Waterworks District # 8, which serves the City of Simi Valley, and the Triunfo SD.

Figure 2 City of Camarillo Water District

Figure 3 City of Simi Valley

Figure 4 City of Thousand Oaks

Figure 5 Calleguas Municipal Water District

Figure 6 Camarillo Sanitation District

Figure 7 Camrosa Water District

Figure 8 Pleasant Valley County Water District

Figure 9 Triunfo Sanitation District

During the mapping, another potential opportunity for cost avoidance was noted which involved duplicate GIS systems. Many of the water and wastewater agencies, including Ventura County, have GIS systems. While beyond the scope of LAFCO's authority, Ventura County agencies should consider a closer coordination of all the GIS systems as a means of reducing costs. While it might be infeasible for one agency to maintain all GIS data, a designated agency for specific type of data might reduce costs. For example, the agencies participating in the Calleguas Creek Watershed Management Plan are currently working together to develop a more regional GIS system for watershed data. Ventura LAFCO has accurate information on the boundaries and SOIs of agencies. It is suggested that the Ventura LAFCO, in conjunction with other agencies, use its GIS system as the "official" regional source of information for the boundaries and SOIs of all Ventura County agencies.

All agencies reported well-established budget processes and procedures, which use internal cost/benefit studies to find and utilize opportunities to reduce or avoid costs. As part of the questionnaire, agencies were asked to note services that were currently provided by other agencies or private contractors, the estimated annual cost savings and excess capacity, facilities or staff that could be made available. Table 10, Summary- Use of Contractors, illustrates each agency's use of outside contractors; if an agency did not respond, NR is listed.

TABLE 10
SUMMARY – USE OF CONTRACTORS

| | SERVICES PROVIDED BY PRIVATE CONTRACTORS | SERVICES PROVIDED BY OTHER AGENCIES | ESTIMATED ANNUAL COST SAVINGS | EXCESS CAPACITY, FACILITIES OR STAFF |
|---------------------|---|---|-------------------------------|---|
| Camarillo | Landscaping/pest control/maintenance | NR | Not Calculated | NR |
| Simi Valley | NR | NR | NR | NR |
| Thousand Oaks | Maintenance | Maintenance | Not Calculated | None |
| Calleguas MWD | NR | NR | NR | NR |
| Camarillo SD | None | Video inspection of lines/equipment painting | Not Calculated | None |
| Camrosa WD | Meter reading/construction/line maintenance | Source control/collection system maintenance and emergency services/backflow inspection and certification | Not Calculated | None |
| Hidden Valley MWD | NR | NR | NR | NR |
| Lake Sherwood CSD | NR | NR | NR | NR |
| Pleasant Valley CWD | Sampling/Lab Work | NR | NR | None |
| Triunfo SD | Manhole raising | Staff | NR | None |
| Waterworks #1 | Public works | NR | None | None |
| Waterworks #8 | NR | Back flow inspections | NR | NR |
| Waterworks #17 | NR | NR | NR | NR |
| Waterworks #19 | NR | NR | NR | NR |
| Ventura Regional SD | As requested | NR | NR | Management, finance, water and wastewater professionals |

IX. RATE RESTRUCTURING

The service review questionnaire asked agencies to list current rates for water and wastewater service, rates changes in the previous two years, anticipated rate changes and any difference in rates charged to customers outside agency boundaries. Twelve out of the fifteen agencies reported rate increases during the previous two years with rate increases ranging from 2%-10% increase. Eight agencies anticipated rate changes in the next two years. Of those agencies that serve territory outside their boundaries, a majority of them reported charging higher rates to those customers. All agencies reported reviewing rates regularly to maintain a revenue stream adequate to cover costs and fully fund infrastructure upgrades and improvements.

The agencies were asked to list current rates in terms of acre-feet and million gallons per day (mgd), for water and wastewater respectively, in order to have a uniform basis of comparing rates from diverse agencies. Table 11, Water Rates, includes a partial comparison of rates per acre-foot as requested by the service review questionnaire. Residents of the Hidden Valley MWD pay a \$10.00 per acre standby charge although the agency does not provide water directly. Wells in the Hidden Valley MWD are private.

The State Water Resources Control Board publishes a wastewater users survey report which was used to develop, Table 12, Wastewater Agency Rates, and provide a comparison of the rates of the wastewater agencies in the Calleguas Creek watershed service review area.³

Table 11
Water Rates

| AGENCY | WATER RATES AF |
|---------------------|----------------|
| Camarillo | \$523 |
| Thousand Oaks | \$693 |
| Calleguas MWD | \$482* |
| Camrosa WD | \$622 |
| Hidden Valley MWD | N/A |
| Lake Sherwood CSD | \$618 |
| Pleasant Valley CWD | \$75 |
| Triunfo SD | \$747 |
| Waterworks #1 | \$563 |
| Waterworks #8 | \$563 |
| Waterworks #17 | \$719 |
| Waterworks #19 | \$541 |

Table 12
Wastewater Agency Rates

| AGENCY | MONTHLY USER CHARGE | CONNECTION FEE |
|---------------|---------------------|----------------|
| Camarillo SD | \$21.08 | \$2,364 |
| Camrosa WD | \$16.00 | \$2,000 |
| Simi Valley | \$20.50 | \$3,375 |
| Thousand Oaks | \$21.85 | \$7,371 |
| Triunfo SD | \$40.00 | \$8,525 |
| Waterworks #1 | \$14.50 | \$2,500 |

Using acre-feet and mgd for water and wastewater services, respectively, did not yield useful information. Most retail water purveyors use HCF as a measurement of water cost. In addition, the information in Table 11, Water Rates, does not reflect tiered water rates. With tiered water rates, the cost of water per HCF increases as usage increases beyond a base amount. For example, both the City of Camarillo and Waterworks District #1 have tiered rates which approximately double from Tier 1 to Tier 3. This would significantly increase the cost of water per AF.

Since the agencies differ in the billing period (monthly, bimonthly or quarterly), the unit of measurement used to calculate rates, the rate structure (flat or tiered rates), connection fees,

³ State Water Resources Control Board "Wastewater User Survey Report, FY 2001-2002" May 2002.

the class of user (residential, agricultural and industrial/commercial), the database is being revised to reflect the variability among the agencies while still permitting a meaningful comparison of costs for the benefit of the public, the elected officials and the agencies. A revised format for collecting data on rates from water and wastewater agencies has been submitted to Ventura LAFCO.

X. OPPORTUNITIES FOR SHARED FACILITIES

As part of the service review questionnaire, agencies were asked to identify ways that they currently cooperate with other agencies to maximize opportunities for sharing facilities. Agencies were asked to list current joint activities with other agencies which are shown in Table 13, Joint Service Agreements. Of the 15 agencies within the Calleguas Creek watershed sub-regional area, nine either did not reference any joint activities or did not respond. The remaining agencies noted joint activities, which increase opportunities for shared facilities.

TABLE 13
JOINT SERVICE AGREEMENTS

| AGENCY | JOINT AGREEMENTS NOTED |
|---------------------|--|
| Camarillo | MOU with California Urban Water Conservation Council Purchasing agreement for water meters and fire hydrants Insurance pool JPA |
| Camarillo SD | Agreement with Ventura Regional Sanitation District for equipment painting and CCTV inspection Insurance pool JPA |
| Camrosa WD | MOU with Ventura County for disaster operations/emergency system Service agreements with CSUCI, Camarillo Sanitary District, Ventura County and Pleasant Valley CWD Purchase agreements with Calleguas MWD and the City of Thousand Oaks Insurance pool JPA ACWA benefit package Joint funding with State Water Resources Board and Calleguas MWD Groundwater management plan-City of Thousand Oaks Calleguas Creek Watershed Management Plan |
| Triunfo SD | Joint venture with Las Virgenes MWD for Tapia WRF SD—Agreement with Ventura Regional Sanitation District for staff MOU with California Urban Water Conservation Council Member of California Sanitation Risk Management Agency |
| Waterworks #1 | Service and purchasing agreements, equipment sharing and other joint service with Ventura County |
| Ventura Regional SD | Service agreements with Triunfo SD, Camarillo SD, Camrosa WD, CSU Channel Islands, Montalvo MID, Rio Manor Mutual Water, Satcoy SD, Thacher School, Thomas Aquinas College, United Water Conservation District, the County of Ventura, and the cities of Fillmore, Oxnard, Thousand Oaks and Ventura; Member of California Sanitation Risk Management Agency |

Calleguas Creek Watershed Management Plan⁴

A majority of the agencies in the Calleguas Creek service review area are also participants in the Calleguas Creek Watershed Management Plan (WMP). The agencies involved in the Calleguas Creek WMP and in this service review are:

- City of Camarillo
- Calleguas Municipal Water District
- City of Simi Valley
- Camarillo Sanitary District
- City of Thousand Oaks
- Camrosa Water District
- Pleasant Valley County Water District
- United Water Conservation District
- Ventura County Waterworks District #1 (City of Moorpark)
- Ventura County Waterworks District #8
- Ventura County Waterworks District #19

The WMP, which was started in late 1996, is a public-private coalition developing an integrated strategy for the watershed and its resources. The purpose of the WMP is to produce a long-range comprehensive water resources plan for the watershed, which is cost-effective and provides benefits for all participants. The WMP, if approved, significantly increases sharing of facilities, avoid costs in the future and ensures that expenditures are closely tied to local conditions.

The WMP was started by agencies in the watershed that recognized that consensus was critical. They were being required to implement a court-ordered water quality compliance schedule and consent decree, which was developed without local participation. The consent decree, which was developed to meet water quality regulations on a constituent-by-constituent basis over a 13-year period, enforces the provisions of the Clean Water Act requiring allocation plans, or Total Maximum Daily Loads (TMDLs), to limit pollution entering surface water.

The Calleguas Creek watershed agencies continued to develop the watershed plan but the water quality regulators prepared to implement the consent decree. The Los Angeles Regional Water Quality Control Board (LARWQCB) prepared a draft TMDL in December 2001 but it was opposed by some agencies participating in the Calleguas Creek WMP for various scientific, economic and environmental reasons.

In response the LARWQCB stopped implementation of the draft TMDL levels and offered local public agencies an opportunity to propose an alternative plan that is comprehensive, responsive to local watershed priorities, grounded in sound science, and consistent with the requirements of the Clean Water Act. All parties are now trying to work together to produce a mutually satisfactory water quality plan. The Calleguas Creek WMP agencies believe that a locally developed, comprehensive watershed plan will provide the most efficient use of public funding and will avoid duplicative and unnecessary costs.

⁴ Draft Calleguas Creek Water Management Plan, Alexander & Associates, 2003.

XI. GOVERNMENT STRUCTURE OPTIONS

Functional reorganizations within agencies, amending or updating SOIs and other changes in the jurisdictional boundaries of the water and wastewater agencies were noted in Section VIII, Cost Avoidance Opportunities. This section addresses efficiencies that might be gained through other governmental structure options.

The initial step in evaluating governmental structure options was a review of recommendations from the "Ventura LAFCO 2001 Special Districts Study. These recommendations are included in this service review report as information about potential government structure options considered by Ventura LAFCO over the previous 20 years. Table 14, 2001 Ventura LAFCO Special District's Study, summarizes those recommendations: In the service review responses, none of the agencies reported having submitted or been included in a reorganization proposal before Ventura LAFCO within the previous two years.

TABLE 14
2001 VENTURA LAFCO SPECIAL DISTRICT STUDY

| AGENCY | RECOMMENDATIONS |
|---------------------|---|
| Camarillo | None noted |
| Simi Valley | None noted |
| Thousand Oaks | None noted |
| Calleguas MWD | Agency should consider a reorganization with smaller water districts |
| Camarillo SD | None noted |
| Camrosa WD | Agency should consider assuming responsibility for all service within City of Camarillo |
| Hidden Valley MWD | None noted |
| Lake Sherwood CSD | None noted |
| Pleasant Valley CWD | None noted |
| Triunfo SD | None noted |
| Waterworks #1 | None noted |
| Waterworks #8 | None noted |
| Waterworks #17 | None noted |
| Waterworks #19 | None noted |
| Ventura Regional SD | None noted |

One of the purposes of the service review is to list all possible government structure options including advantages and disadvantages of potential reorganizations. For this purposes of this service review report, a reorganization is defined as two or more changes of organization (i.e., consolidation, merger, dissolution, annexation and/or detachment) which are initiated in a single proposal before LAFCO. It should be noted that the different requirements for each type of change of government structure, as contained in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, may present obstacles to a potential reorganization. It

is suggested that the Ventura LAFCO Commission, in conjunction with the agencies involved, discuss the potential benefits that might accrue from reorganizations of the following agencies.

1) City of Camarillo, the Camarillo Sanitary District and the Camrosa Water District

Options include merging the Camarillo SD with the City or reorganizing the Camarillo SD, the City's water service department and the Camrosa WD to allow the Camrosa WD to provide service to the entire City. Potential advantages include simplification of service delivery, reduced costs and increased economies of scale. Disadvantages include resistance from elected officials and the public, the loss of water and wastewater service specific to the City of Camarillo and the complexities of combining separate water and wastewater systems.

During the review of the draft service review report, the agencies noted that while the adjacent service areas might appear to offer opportunities for reorganization, the Calleguas Creek, which forms the boundary between the two agencies, presents significant technical disadvantages to an interconnection of the facilities. Political opposition was also cited as a significant disadvantage.

The Camrosa WD noted that it is exploring cooperative opportunities in conjunction with the City and the Camarillo SD to improve reliability and affordability of services. Non-potable water delivery is being considered as part of an agreement that would deliver recycled, treated effluent from the Camarillo SD plant to the Camrosa WD. This would allow the City to avoid some costs associated with increased environmental regulation for disposal of effluent in Conejo Creek while also making a new source of irrigation water available.

A related service issue that is beyond the purview of LAFCO involves on-site sewage systems. The highlands area of the City of Camarillo primarily uses on-site wastewater systems but is within the SOI of the Camarillo Sanitation District. The District and the City have worked with residents to encourage them to annex into the District to provide more efficient service, protect groundwater and water quality resources and to reduce costs of annexation. Residents have typically resisted annexation unless forced to by failing on-site systems. The result has been piecemeal annexations and irregular boundaries.

In addition, the possibility of on-site systems polluting ground waters was cited as a concern in the Calleguas Creek WMP. While the rate of failures in the highlands area was not noted as significant enough to create public health issues, it is suggested that Ventura County, the Camarillo Sanitary District and City of Camarillo work together to review the Ventura County Guidelines for Orderly Development. These Guidelines, which provide direction for the level of development, lot size and conditions for public sewer connection, should be reviewed to determine if more stringent guidelines for on-site systems are warranted.

2) City of Simi Valley and Waterworks District #8

Water service in Simi Valley is currently provided through two suppliers of water: Southern California Water Company and Ventura County Waterworks District #8. Approximately 60% of the area is served by the Waterworks District, which is managed by the City with the City Council serving as the Board of Directors for the District. The Southern California Water Company is a private company, which provides water service to the other 40% of the area.

This potential government structure option includes the reorganization of the water and wastewater functions of the City of Simi Valley and Waterworks District #8 so that one agency

provided water and wastewater services to residents. During interviews, the coordination for future service needs among the City, Waterworks #8 and the Southern California Water Company was cited as being complicated and occasionally confusing. In addition, differences in rates between the two water purveyors have sometimes created issues with residents. While Ventura LAFCO has the statutory authority to analyze the potential reorganization of the City of Simi Valley and Waterworks District #8, no other issues were noted by either public agency during the service review.

Potential advantages include simplification of service delivery and increased economies of scale. However, the Southern California Water Company would still provide water service to a significant portion of the City. LAFCO has no authority to reorganize private or mutual water companies; however, simplification of service delivery and service areas might be increased if the City also assumed responsibility for the area served by the private water company. Disadvantages include: resistance from elected officials and the public; the complexities of combining separate water and wastewater systems; and, revision of the existing legal agreement between the City and Waterworks #8. It is unclear if cost savings would result from the reorganization.

As stated previously, the reorganization of private water purveyors is beyond the scope of this service review and of LAFCO. However, the issues of different rates and coordination of activities between private and public service providers were cited during interviews in the Calleguas Creek service review area as well as in other portions of Ventura County. It is suggested that Ventura LAFCO work with Ventura County and other agencies to collect appropriate rate information on private and mutual water purveyors.

3) City of Moorpark and Waterworks District #1

This government structure option would involve the merger of the City of Moorpark and Waterworks District # 1 to allow the City provided water and wastewater services to its residents. Potential advantages include simplification of service delivery and increased economies of scale. However, no issues were noted during the service review with the provision of water and wastewater service and it is uncertain if service delivery would be simplified. Disadvantages include resistance from elected officials and the public, the complexities of combining separate governmental agencies and future provision of service to unincorporated areas currently served by the agency. Potential cost savings are unknown. A 1988 feasibility study recommended that all wastewater and water services within Waterworks #1 be transferred to the City of Moorpark. The study should be reviewed and updated to reflect changing growth and financial conditions.⁵

4) Triunfo Sanitation District

The Triunfo SD does not provide direct services to its customers but provides them through contracts with other agencies. Reorganization with another agency might eliminate a layer of government, reduce costs and simplify/improve service provision. Disadvantages include the complexity of replacing the Triunfo SD's existing contracts with new agreements and uncertain cost savings.

During interviews and in subsequent research the following additional potential governmental structure option was noted.

⁵ "A Feasibility Study for Moorpark and the County of Ventura for Transferring Water and Wastewater Utilities from the County of Ventura to Moorpark", Arthur Young Consulting. March, 1988.

5) Calleguas MWD

One potential governmental structure option involves the Calleguas MWD service area/SOI. Currently the District's SOI and service area include portions of the City of Oxnard. With minor exceptions the agency's boundaries are coterminous with its SOI. As areas annex to the City and require water service, they are required to annex to the Calleguas MWD and to the Metropolitan Water District (MWD), which allows the developing parcels to receive imported water. When territory annexes to a member agency, MWD's Administrative Code requires concurrent annexation.

The cost of requiring concurrent annexation has proven to be an obstacle to the provision of efficient services. In addition to the fee and charges of the City of Oxnard and of Ventura LAFCO, the fixed fee for annexation to Calleguas MWD and MWD are approximately \$4,500 per parcel are which are paid by the property owner. The annexations in the City of Oxnard have been sporadic and piecemeal as individual or small groups of property owners request annexation. The unintended result has been service boundaries which are sometimes confusing and which do not always assist regional water and wastewater planning goals and objectives.

There have been several attempts to provide a more comprehensive approach to annexation in the area. Ventura LAFCO has tried to encourage a more logical and phased annexation program and the Calleguas MWD has studied the economics of an annexation program. Developing a program of phased annexation could save time and money for both property owners and agencies.

One obstacle to annexation and the creation of more logical boundaries is the reluctance of many property owners to initiate annexation proposals. Government Code Section §57075 requires that the proceedings for annexation to be terminated if more than 50% of the registered voters or landowners protest. The impact is that some property owners and agencies do not initiate annexations that could result in more logical boundaries and improve service delivery.

Another obstacle is the requirements of the California Environmental Quality Act (CEQA). Virtually all annexation proposals are subject to CEQA review and the legal and financial obstacles of preparing the required CEQA documents are formidable. However, CEQA does allow for the exemption of planning studies and it is suggested that Ventura LAFCO consider studying a phased annexation program for this area as part of the update of the Calleguas MWD SOI. The program could provide incentives for the timely and cost-efficient annexation of areas not now within Calleguas MWD service area and/or SOI.

Another issue with the Calleguas MWD is the consistency of the District's SOI and the potential service area as established by MWD. The MWD's Annexation Policy Briefing Book, published December 1995, includes the following 1931 General Policy Statement describing Metropolitan's ultimate service area as follows⁶:

"Those portions of the Coastal Plain to which the aqueduct system can economically deliver water are regarded as the ultimate area that should be included within the Metropolitan Water District."

Additionally, the Coastal Plain is described as follows:

⁶ Personal Communication, Cy Johnson, Calleguas MWD.

"That part of Los Angeles County southerly from the Santa Susana and the San Gabriel or Sierra Madre Mountains; that part of San Bernardino County south of the San Gabriel or Sierra Madre Mountains, and south and west of the San Bernardino Mountains extending easterly to the summit of San Gorgonio Pass; that part of Riverside County west of the San Jacinto Mountains; that part of Orange County west and north of the Santa Ana Mountains."

Referring to the above quotations, Metropolitan's report entitled 1976 Analysis of Annexation Policy of The Metropolitan Water District of Southern California states the following:

"Although the two quoted portions indicate an intention to consider applications from any part or all of the designated coastal areas, the limitations set up were not subsequently looked upon and absolute, but were treated as indicative of the area within which Metropolitan expected to operate. They constituted no legal prohibition against wide expansion and implied no obligation to attempt to serve the whole area included in the description. In fact, certain areas within the prescribed limits were later declared not to be acceptable, and careful study was made of proposed annexations in Ventura and Santa Barbara Counties."

In 1931 Metropolitan's service area did not include San Diego or Ventura Counties.

No official description has been located for the ultimate service area boundary in Ventura County and various historical documents show conflicting information. A letter dated July 29, 1976 from Metropolitan's General Manager to the City of Ventura's Director of Public Works contained in the following statement:

"In the early 1960's when the State water contracts were being negotiated, the City of Oxnard and Calleguas MWD were in the process of annexation to Metropolitan, and there was an informal understanding that MWD would serve the area south of the Santa Clara River and that the County of Ventura would serve the area north of the river".

However, there are various MWD maps which show the Ventura County service area as that portion of Ventura County located south of a line that generally follows the crest of the Santa Susana mountains (approximately the existing northern boundary of Calleguas MWD) to a point where the westernmost foothills approach the Santa Clara River, and thence along the river to the sea. There is also a map that was attached to a May 5, 1962 letter from the General Manager to the Board of Directors addressing general annexation policy, which shows Metropolitan's service area as including the City of Ventura. Because of the undefined nature of the boundary in Ventura County, MWD's ultimate service area boundary in Ventura County is not clearly defined along the eastern county line, the Santa Clara River, and the northern boundary of the City of Ventura. It is suggested that the Calleguas MWD work with both MWD and Ventura LAFCO to clarify a SOI consistent with the MWD service area for the District.

XII. EVALUATION OF MANAGEMENT EFFICIENCIES

Reviewing management efficiencies has generally been an internal function of a public agency with limited oversight by external entities such as some state and federal regulatory agencies or a Grand Jury. The draft OPR service review guidelines suggested factors that could be used when evaluating management efficiencies, but many of them relate to internal practices which

are difficult to measure and whose correction is outside the purview of LAFCO authority. Some of the factors the OPR Guidelines recommend for evaluating management efficiencies have been addressed in other sections of this report. The Ventura LAFCO questionnaire included questions about master plans, recent litigation and/or Grand Jury inquiries and number of employees as a means of evaluating management efficiencies.

The presence of master plans, as described in Section VI, Infrastructure, can be viewed as indicative of managerial efficiency in long range planning. However it should be noted that some small agencies and agencies which are close to built-out may use other means of predicting and preparing for long-term service needs.

Frequent litigation or inclusion in a Grand Jury report can also be used as a proxy measure for managerial efficiency. If an agency is frequently involved in litigation, it can indicate that the staff and/or Board resort to the courts for resolution of issues which might be addressed through other less expensive means. Occasionally inclusion in a Grand Jury investigation might mean that complaints about the administration have been received.

Only the Triunfo SD noted recent litigation regarding the provision of service; the lawsuit was settled by mediation in 2003. One other agency, Pleasant Valley CWD, noted that it had been asked to respond to Grand Jury questions in the previous two years. The Grand Jury report was obtained and no significant, negative conclusions were noted.

Agencies were also asked to report the number and categories of employees dedicated to the provision of service. The 1999-2000 Ventura County Grand Jury report, "An Examination of Special Districts Providing Water Service to Ventura County" used the agency's administrative expense as a percentage of the operating revenue for the district. The Grand Jury's report noted that:

"Most districts enjoy administrative overhead percentages of less than 15%....dependent districts enjoy low overhead through their sharing of management, facilities and staff. Smaller, independent districts, however, pay the largest overhead penalty."

The service review questionnaire did not specifically request that agencies provide administrative overhead percentages although in future service reviews this measurement should be considered. If future service reviews continue to require an assessment of management efficiencies, Ventura LAFCO should consider requesting this information or developing performance measures, benchmarks or some other means to allow for a meaningful comparison of management practices and efficiencies among diverse agencies.

As another means of assessing managerial efficiencies, the following table provides the number of administrative, professional/support and operational employees and the ratio of the number of professional/support and operational employees to administrative staff. The 1999-2000 Grand Jury conclusion that dependent districts, which share staff and facilities with a larger organization, have the lowest overhead seems to be consistent with the ratios expressed in Table 15, Employee Information.

To account for the practice of allocating a portion of the total administrative expenses by transferring enterprise funds to general fund, cities and dependent districts were asked the amount of the enterprise fund budget transferred to the general fund. The City of Simi Valley transferred approximately \$850,000 in 2000-01, \$900,000 in 2001-02 and \$1,000,000 in 2002-03. The City of Thousand Oaks transferred approximately \$200,000 in all three fiscal years.

Waterworks District #8, which is governed by the City Council of Simi Valley, transferred approximately \$1,000,000 in 2000-01, \$1,100,000 in 2001-02 and \$1,200,000 in 2002-03. Prop 218 and subsequent legal opinions discourage the transfer enterprise funds to the general fund unless there is a clear nexus between the transfer and the cost of services. Most public agencies have completed these nexus studies.

TABLE 15
EMPLOYEE INFORMATION

| | RATIO OF EXECUTIVE STAFF TO PROF. AND OPER. | WATER | | | WASTEWATER | | |
|---------------------|---|-----------------------|-----------------------|------------------|------------------------|-----------------------|------------------|
| | | EXECUTIVE AND MGT. | PROF. AND SUPPORT. | OPERA- TIONAL | EXECUTIVE AND MNGT. | PROF. AND SUPPORT. | OPERA- TIONAL |
| Camarillo* | NA | 0 | 3 | 13 | | | |
| Simi Valley* | 1:9 | | | | 6 | 7 | 47.5 |
| Thousand Oaks* | NA | 0 | 1 (supervisor) | 12 | 0 | 5 | 30 |
| Calleguas MWD | 1:7 | 7 | 16 | 34 | | | |
| Camarillo SD | 1:4 | | | | 3 | | 11 |
| Camrosa WD | 1:5 | 3 | 7 | 9 | | | |
| Hidden Valley MWD | NA | | | 1 | | | |
| Lake Sherwood CSD* | 1:6 w 1:4 ww | 7 | 18 | 27 | 6 | 18 | 7 |
| Pleasant Valley CWD | 1:4 | 1 | | 4 | | | |
| Triunfo SD | NA | NA | NA | NA | NA | NA | NA |
| Waterworks #1* | 1:6 w 1:4 ww | 6 | 18 | 20 | 6 | 19 | 7 |
| Waterworks #8* | 1:13 | 2 | 13 | 26 | | | |
| Waterworks #17* | 1:6 (w) 1:4 (ww) | 6 | 18 | 20 | 6 | 18 | 7 |
| Waterworks #19* | 1:6 w 1:4 ww | 6 | 18 | 20 | 6 | 19 | 7 |
| Ventura Regional SD | 1:17 | 4 | 24 | 43 | | | |

*Agencies with water/wastewater responsibility and some Waterworks Districts, as dependent districts, share employees.

No significant inefficiencies in management were noted among the agencies in the Calleguas Creek watershed service review area.

XIII. LOCAL ACCOUNTABILITY AND GOVERNANCE

No significant issues regarding local accountability and governance were noted for any of the agencies within the Calleguas Creek watershed service review area. The governing boards of the agencies appear to be locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their election process. However, only eight of the agencies

provide copies of their agency's budget on their website⁷; it is suggested that the remaining agencies post budgets on their websites. In the case of smaller agencies who do not have websites, it is also suggested that they provide them to increase accountability to customers.

The service review questionnaire asked each agency to provide current information about the governing board, the expiration date of each member's term and whether any recently elected governing board members ran unopposed. This information was entered into the database and will be used to maintain current and accurate information. Data about compensation, review sessions of the Brown Act/FPPC requirements and violations of either regulation within the previous two years was collected.

In addition, agencies were asked to indicate if the governing body was elected or appointed, whether recently elected officials ran unopposed and to provide the amount of compensation set for elected officials. Only three agencies within the Calleguas Creek watershed service review area noted appointed directors—the Pleasant Valley County Water District (CWD), the Triunfo Sanitation District (SD) and the Ventura Regional Sanitation District (SD).

The Pleasant Valley County Water District encompasses 11,000 acres but serves an estimated population of less than 2,000. It has five directors all of whom were listed as being appointed.

The board of the Ventura Regional Sanitation District has nine directors, all of whom are appointed. Eight of the board members, all city council persons, are appointed by their respective City Councils. The ninth member, which represents independent special districts, is selected by the Ventura Regional SD Board.

The board of the Triunfo SD has two elected board members and three appointed board members. Appointed board members include representatives from the Ventura County Board of Supervisors, the City of Thousand Oaks and the Ventura Regional SD. The Ventura Regional SD board is itself comprised of appointed members from the cities and independent special districts. While the Ventura Regional SD Board has, in the past, selected its special district member to serve on the Triunfo SD Board, that member generally represents an area of Ventura County not within the Triunfo SD service area. While no issues with this arrangement were reported, local accountability might be improved if the Triunfo SD considered the possibility of having an additional board member elected. This would increase accountability to ratepayers within the Triunfo SD. The Ventura Regional SD could maintain a member of the Triunfo SD board to continue the coordination of efforts and information and to provide a board member experienced in special districts. The suggested change in Triunfo Board composition might require a legislative change.

Compensation of elected and appointed officials reported is shown in Table 16, Compensation for Elected Officials:

A majority of the agencies reported that regular review sessions of the requirements of the Brown Act, FPPC and public disclosure laws were scheduled; a few agencies noted that sessions were scheduled on as as-needed basis. None of the agencies noted any violations within the previous two years.

⁷ The eight agencies providing copies of their budgets on their website were: Camarillo SD, Camrosa WD, City of Camarillo, Lake Sherwood CSD, the City of Thousand Oaks, Waterworks District #1, #17 and #19.

Public access was evaluated by regularly scheduled meetings and locations, by compliance with ADA and by the use of legally required notices. All but one agency noted the time and place of regularly scheduled meetings. During agency review of this report, the Triunfo SD added that their "...Board meetings are held at 5:15 p.m. on the fourth Monday of each month at a published location within the District—usually the Oak Park Unified School District."

Most agencies held meetings after working hours when they would be more accessible to residents. Only the agencies governed by the Ventura County Board of Supervisors and the Pleasant Valley CWD held meetings during working hours. All agencies stated that their meeting locations were easily accessible to the public and compliant with the requirements of ADA. All agencies reported compliance with the legal requirements for posting of meetings.

TABLE 16
COMPENSATION FOR ELECTED OFFICIALS

| | BASIC STIPEND | LIMIT ON STIPEND | BENEFITS | OTHER |
|---------------------|----------------|-------------------------------|--|---|
| Camarillo | \$750/month* | \$750/month | Life, medical, dental, vision and retirement | Reimbursable limit--\$300/month (mayor) |
| Simi Valley | \$959/month* | \$959/month | Life, medical, dental, vision and retirement | Expense account limit--\$404/month |
| Thousand Oaks | \$1,309/month* | | Medical, EAP, dental, vision and retirement | \$150 monthly limit on mileage |
| Calleguas MWD | \$200/mtg | \$2,000/month | Life, medical, dental, vision and retirement | Actual costs and \$0.36 per mile |
| Camarillo SD | \$100/mtg | \$600/month | Life, medical, dental, vision and retirement | Reimbursable limit--\$300/month |
| Camrosa WD | \$143/mtg | \$1, 430/month | Medical, dental, and vision | Actual costs and \$0.36 per mile |
| Hidden Valley MWD | None | None | E&O insurance | None |
| Lake Sherwood CSD | \$7,083/month* | * | * | * |
| Pleasant Valley CWD | \$100/mtg | None reported | None reported | None reported |
| Triunfo SD | \$198/mtg | 6 mtgs/month | Retirement (457 plan) | \$50/perdiem meals and \$0.36 per mile |
| Waterworks #1 | \$7,083/month* | * | * | * |
| Waterworks #8 | ** | ** | ** | ** |
| Waterworks #17 | \$7,083/month* | * | * | * |
| Waterworks #19 | \$7,083/month* | * | * | * |
| Ventura Regional SD | \$162/mtg | \$972/month plus reimbursable | None | \$50/perdiem meals and 4) 0.36 per mile |

*Compensation for City Council or Board of Supervisors; no additional compensation for dependent district

**Compensation for City Council of Simi Valley; no additional compensation for dependent district

All agencies have public budget processes and reported that adopted budgets are made accessible to the public. Most agencies also post budgets on their website; six agencies do not (Calleguas MWD, Hidden Valley MWD, Pleasant Valley CWD, City of Simi Valley, Triunfo SD and the Ventura Regional SD). All agencies reported unqualified audits in 2002.

XIV. DETERMINATIONS

Determinations are based on data provided by agencies.

A) CALLEGUAS MUNICIPAL WATER DISTRICT

- **Infrastructure needs or deficiencies**
 1. That the Calleguas MWD has a Water Master Plan, adopted in 1999, and an Urban Water Management Plan.
 2. That the Calleguas MWD bases its assessment of future water needs on water demand projections forwarded by its member agencies. Current storage capacity is 20 days of supply.
 3. That the Calleguas MWD annually updates its list of infrastructure needs.
 4. That the Calleguas MWD recognizes the regional need for managing water resources.
 5. That the Calleguas MWD is a participant in the Calleguas Creek Watershed Management Plan which addresses long range comprehensive water resources.
 6. That the Calleguas MWD currently has adequate water resources for member agencies.
 7. That ensuring that adequate water sources and supply will continue to be a major concern of the Calleguas MWD and other agencies in Ventura County.
- **Growth and population projections for the affected area**
 1. That the Calleguas MWD uses SCAG and Census data for population projections.
 2. That the Calleguas MWD also relies on land use decisions by local agencies for population projections.
- **Financing constraints and opportunities**
 1. That the Calleguas MWD prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure adequate funds concurrent with need.
 2. That the Calleguas MWD maintains reserve funds for infrastructure needs and for insurance.
 3. That the Calleguas MWD has issued bonds to finance some capital improvements.
 4. That the Calleguas MWD maintains a Capital Improvement Plan and identifies potential sources of funding.
- **Cost avoidance opportunities**
 1. That the budget process of the Calleguas MWD includes cost/benefit assessment by staff, management and Board members to ensure costs are avoided.
 2. That the Calleguas MWD uses cost sharing programs with other agencies wherever possible such as the watershed plan.
 3. That the Calleguas MWD uses contractors for services when shown to be cost effective.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the Calleguas MWD are set through a public process.

2. That the Calleguas MWD has established a two-tiered rate structure and a revision of the Capital Construction Charge both of which encourage conservation of water resources.
 3. That the Calleguas MWD regularly examines the existing fee structure to ensure fair and equitable rates.
- **Opportunities for shared facilities**
 1. That the Calleguas MWD currently participates in joint ventures and cooperatives with other agencies such as MET and member agencies.
 2. That the Calleguas MWD collaborates with agencies in a variety of planning, conservation and watershed programs.
 3. That the Calleguas MWD has identified increased reservoir capacity as a potential opportunity for future shared facilities.
 4. That the Calleguas MWD has identified and is implementing methods of increasing reclaimed water use among member agencies.
 - **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the Calleguas MWD imports water to member agencies and duplication of its services does not exist; governmental structure options with other wholesale water agencies have not been explored.
 2. That the Calleguas MWD believes that consolidation of some of its retail agencies within its service area might result in improvements in water quality, financial efficiency and system reliability.
 3. That the Calleguas MWD should analyze the economic and financial impacts of charges for areas annexing into its service area and into the service area of Metropolitan Water District (MET).
 - **Evaluation of management efficiencies**
 1. That the current management structure of the Calleguas MWD is adequate to serve the present and future needs of the agency.
 2. That the Calleguas MWD has current management, interdepartmental and inter-agency practices and procedures appropriate to and efficient for its water service.
 - **Local accountability and governance**
 1. That the Calleguas MWD is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
 2. That the Board members of the Calleguas MWD are elected and only one elected Board member ran unopposed during the last two election cycles.
 3. That the agency has a website and posts information on it for their customers.

B) CAMARILLO SANITARY DISTRICT

- **Infrastructure needs or deficiencies**
 1. That the Camarillo SD has a Master Plan, adopted in 1999, which assesses the infrastructure needs and deficiencies in the existing system and projects future needs.
 2. That the Camarillo SD bases its assessment of future wastewater needs on the City's General Plan, the Master Plan and on Community Development Department totals of building activity.
 3. That the Camarillo SD annually updates its list of infrastructure needs.
 4. That the Camarillo SD has adequate wastewater resources for current and future development.
 5. That meeting current and future regulatory requirements will continue to be a concern of the Camarillo SD and other agencies in Ventura County.
- **Growth and population projections for the affected area**
 1. That the Camarillo SD bases growth and population projections on completed and pending building activity and annexations.
 2. That the Camarillo SD is limited by ordinance to adding 450 units per year.
- **Financing constraints and opportunities**
 1. That the Camarillo SD prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure adequate funds concurrent with need.
 2. That the Camarillo SD maintains an annual Capital Improvement Plan and identifies funding for projects.
 3. That the Camarillo SD requires that new development pay appropriate fees and charges to ensure cost recovery.
- **Cost avoidance opportunities**
 1. That the Camarillo SD uses contractors for services when shown to be cost effective.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the Camarillo SD are set through a public process.
 2. That the Camarillo SD is currently analyzing the existing fee structure to ensure fair and equitable rates.
- **Opportunities for shared facilities**
 1. That the Camarillo SD currently participates with the Camrosa WD for the use of reclaimed water.
 2. That the Camarillo SD collaborates with agencies in watershed programs.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the Camarillo SD should investigate the potential benefits, if any, of a reorganization of the District with the City of Camarillo and/or the Camrosa WD.
- **Evaluation of management efficiencies**
 1. That the current management structure of the Camarillo SD is adequate to serve the present and future needs of the agency.

2. That the Camarillo SD has current management, interdepartmental and inter-agency practices and procedures appropriate to and efficient for its service.
 3. That the Camarillo SD uses outside vendors and contracting agencies to provide more efficient services.
- **Local accountability and governance**
 1. That the Camarillo SD Board is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
 2. That the Board members of the Camarillo SD are elected and no Board member ran unopposed.
 3. That the agency has a website and posts copies of their budget and other appropriate information on it for their customers.

C.) CAMROSA WATER DISTRICT

- **Infrastructure needs or deficiencies**
 1. That the Camrosa WD is currently revising its water and wastewater Master Plans, adopted in 1990 and 1991 respectively, to assess the infrastructure needs and deficiencies in the existing systems and project service demand.
 2. That the Camrosa WD bases its assessment of future wastewater needs on the land use policies and decisions of the City of Camarillo and Ventura County.
 3. That the Camrosa WD annually updates its list of infrastructure needs.
 4. That the Camrosa WD provides service to any requesting parcel, which meets the connection criteria; the District has adequate water and wastewater resources for current and future development.
 5. That meeting current and future regulatory requirements will continue to be a concern of the Camrosa WD and other agencies in Ventura County.
- **Growth and population projections for the affected area**
 1. That the Camrosa WD bases growth and population projections on estimates provided by the City of Camarillo, Calleguas MWD and Ventura County.
- **Financing constraints and opportunities**
 1. That the Camrosa WD prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure funds concurrent with need.
 2. That the Camrosa WD maintains an annual Capital Improvement Plan and identifies funding for projects.
 3. That the Camrosa WD requires that new development pay appropriate fees and charges to ensure cost recovery.
- **Cost avoidance opportunities**
 1. That the Camrosa WD uses its annual budget process to identify cost avoidance opportunities.
 2. That the Camrosa WD uses outside vendors and contractors for services when shown to be cost effective.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the Camrosa WD are set through a public process.
 2. That the Camrosa WD annually analyzes the existing fee structure to ensure fair and equitable rates.
- **Opportunities for shared facilities**
 1. That the Camrosa WD is currently investigating cooperative projects with the City of Camarillo to reduce costs for wastewater treatment and reclaimed water.
 2. That the Camrosa WD uses the Ventura Regional Sanitation District for some staff functions and for maintenance of equipment and contracts with Ventura County staff for backflow monitoring services.
 3. That the Camrosa WD collaborates with other agencies as appropriate and as deemed efficient, i.e., watershed programs.

- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the Camrosa WD provides water and wastewater services to residents of the City of Camarillo and to residents in the unincorporated areas of Ventura County.
 2. That the Camrosa WD should explore the potential benefits, if any, that might result from a reorganization with the city of Camarillo and the Camarillo SD.
- **Evaluation of management efficiencies**
 1. That the current management structure of the Camrosa WD is adequate to serve the present and future needs of the agency.
 2. That the Camrosa WD has current management, interdepartmental and inter-agency practices and procedures appropriate to and efficient for its service.
 3. That the Camrosa WD uses outside vendors and contracting agencies to provide more efficient services.
- **Local accountability and governance**
 1. That the Camrosa WD Board is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
 2. That all of the Board members of the Camrosa WD are elected and one Board member ran unopposed in the previous election.
 3. That the agency has a website and posts copies of their budget and other appropriate information on it for their customers.

D) CITY OF CAMARILLO

- **Infrastructure needs or deficiencies**
 1. That the City of Camarillo prepared a water Master Plan in 1996 to assess the infrastructure needs and deficiencies in the existing systems and project service demand.
 2. That the City of Camarillo bases its assessment of future water needs on the General Plan and water Master Plan.
 3. That the City of Camarillo annually updates its list of infrastructure needs.
 4. That the City of Camarillo has adequate water resources for current and future development.
 5. That meeting current and future regulatory requirements and water needs will continue to be a concern of the City of Camarillo and other agencies in Ventura County.
- **Growth and population projections for the affected area**
 1. That the City of Camarillo bases growth and population projections on completed and pending building activity and annexations.
 2. That the City of Camarillo is limited by ordinance to adding 450 units per year.
 3. That the City of Camarillo's General Plan and Housing Element identifies development potential for specific areas which is also used to project future demand for water service.
- **Financing constraints and opportunities**
 1. That the City of Camarillo prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure adequate funds concurrent with need.
 2. That the City of Camarillo maintains an annual Capital Improvement Plan and identifies funding for projects.
 3. That the City of Camarillo requires that new development pay appropriate fees and charges to ensure cost recovery.
- **Cost avoidance opportunities**
 1. That the City of Camarillo uses contractors for services which are shown to be cost effective.
 2. That the City of Camarillo uses their budget process and internal cost/benefit procedures to evaluate costs savings of programs and alternatives.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the City of Camarillo are set through a public process.
 2. That the City of Camarillo annually analyzes the existing fee structure to ensure a continued level of service and infrastructure maintenance.
- **Opportunities for shared facilities**
 1. That the City of Camarillo collaborates with agencies as appropriate.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the City of Camarillo should explore the potential benefits, if any, of a reorganization with the Camarillo SD and the Camrosa WD.

- **Evaluation of management efficiencies**
 1. That the current management structure of the City of Camarillo is adequate to serve the present and future needs of the agency.
 2. That the City of Camarillo has current management, interdepartmental and inter-agency practices and procedures appropriate to and efficient for its service.
 3. That the City of Camarillo uses outside vendors and contracting agencies to provide more efficient services.
- **Local accountability and governance**
 1. That the City of Camarillo City Council is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
 2. That the City Council of the City of Camarillo is elected and no City Council member ran unopposed.
 3. That the agency has a website and posts copies of their budget and other appropriate information on it for their customers.

E) CITY OF SIMI VALLEY

- **Infrastructure needs or deficiencies**
 1. That the City of Simi Valley prepared a wastewater Master Plan in 1985.
 2. That the City of Simi Valley bases its assessment of future service needs on the General Plan.
 3. That the City of Simi Valley annually updates its list of infrastructure needs.
 4. That meeting current and future regulatory requirements and service demands will continue to be a concern of the City of Simi Valley.
- **Growth and population projections for the affected area**
 1. That the City of Simi Valley bases growth and population projections on the General Plan and specific project plans.
- **Financing constraints and opportunities**
 1. That the City of Simi Valley prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure adequate funds concurrent with need.
 2. That the City of Simi Valley maintains an annual Capital Improvement Plan and identifies funding for projects.
- **Cost avoidance opportunities**
 1. That the City of Simi Valley uses contractors and outside vendors for services when proven to be cost effective.
 2. That the City of Simi Valley uses their budget process and internal cost/benefit procedures to evaluate cost savings of programs and alternatives.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the City of Simi Valley are set through a public process.
 2. That the City of Simi Valley is currently analyzing water fees to ensure that funds are available concurrent with need.
 3. That the City of Simi Valley work with Ventura County Waterworks District #8 and private water purveyors to ensure uniformity of rates to residents.
- **Opportunities for shared facilities**
 1. That the City of Simi Valley collaborates with agencies as appropriate.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the City of Simi Valley should analyze the cost savings and potential increase in efficiency that could be gained through a reorganization with Waterworks District #8 and/or the Southern California Water Company.
- **Evaluation of management efficiencies**
 1. That the current management structure of the City of Simi Valley is adequate to serve the present and future needs of the agency.
 2. That the City of Simi Valley has current management, interdepartmental and inter-agency practices and procedures appropriate to and efficient for its service.

- **Local accountability and governance**

1. That the City of Simi Valley City Council is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
2. That the City Council of the City of Simi Valley is elected and no City Council member ran unopposed.
3. That the agency has a website and posts information on it for their customers.

F) CITY OF THOUSAND OAKS

- **Infrastructure needs or deficiencies**
 1. That the City of Thousand Oaks prepared a wastewater Master Plan in 2002 and is currently updating its water Master Plan.
 2. That the City of Thousand Oaks bases its assessment of future service needs on the General Plan.
 3. That the City of Thousand Oaks annually updates its list of infrastructure needs.
 4. That meeting future regulatory requirements is an ongoing concern of the City of Thousand Oaks.
- **Growth and population projections for the affected area**
 1. That the City of Thousand Oaks bases growth and population projections on the growth control ordinance and zoning.
- **Financing constraints and opportunities**
 1. That the City of Thousand Oaks prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure adequate funds concurrent with need.
 2. That the City of Thousand Oaks maintains an annual Capital Improvement Plan and identifies funding for projects.
- **Cost avoidance opportunities**
 1. That the City of Thousand Oaks uses contractors and outside vendors for services when shown to be cost effective.
 2. That the City of Thousand Oaks uses their budget process and internal cost/benefit procedures to evaluate cost savings of programs and alternatives.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the City of Thousand Oaks are set through a public process.
 2. That the City of Thousand Oaks recently analyzed water fees to ensure that funds are available concurrent with need.
- **Opportunities for shared facilities**
 1. That the City of Thousand Oaks collaborates with agencies as appropriate.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. None were noted.
- **Evaluation of management efficiencies**
 1. That the current management structure of the City of Thousand Oaks is adequate to serve the present and future needs of the agency.
 2. That the City of Thousand Oaks has current management, interdepartmental and inter-agency practices and procedures appropriate to and efficient for its service.
- **Local accountability and governance**
 1. That the City of Thousand Oaks City Council is locally accountable through adherence to applicable government code sections, open and accessible

meetings, and dissemination of information and encouragement of participation in their process.

2. That the City Council of the City of Thousand Oaks is elected and no City Council member ran unopposed.
3. That the agency has a website and posts copies of their budget and other appropriate information on it for their customers.

G) HIDDEN VALLEY MUNICIPAL WATER DISTRICT

- **Infrastructure needs or deficiencies**
 1. That the Hidden Valley Municipal Water District monitors growth and development, water demand and water supplies to 37 ranches.
 2. That the Hidden Valley Municipal Water District should begin to ensure that all wells within the agency are metered, that accurate records of pumping are kept and that an emergency water supply is identified.
- **Growth and population projections for the affected area**
 1. That the Hidden Valley Municipal Water District bases growth and population projections on Ventura County figures.
- **Financing constraints and opportunities**
 1. That the Hidden Valley MWD receives property tax but does not provide direct service to residents.
- **Cost avoidance opportunities**
 1. None were noted.
- **Opportunities for rate restructuring**
 1. That the fees of the Hidden Valley Municipal Water District are set through a public process and are adequate at this time.
- **Opportunities for shared facilities**
 1. None were noted.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. None were noted.
- **Evaluation of management efficiencies**
 1. None were noted.
- **Local accountability and governance**
 1. That the Hidden Valley Municipal Water District Board is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process. All Board members have been elected; none were appointed.
 2. That the Hidden Valley MWD should provide an agency website for their customers.

H) LAKE SHERWOOD COMMUNITY FACILITIES DISTRICT

- **Infrastructure needs or deficiencies**
 1. That a water master plan was prepared for the Lake Sherwood Community Facilities District and that Ventura County ensures that all subsequent development is consistent with the master plan.
- **Growth and population projections for the affected area**
 1. That the Lake Sherwood Community Facilities District bases growth and population projections on Ventura County and SCAG figures.
- **Financing constraints and opportunities**
 1. None were noted.
- **Cost avoidance opportunities**
 1. None were noted.
- **Opportunities for rate restructuring**
 1. That the Lake Sherwood Community Facilities District fees are set through a public process and are adequate at this time.
 2. That the Lake Sherwood Community Facilities District has a tiered rate structure, which encourages water conservation.
- **Opportunities for shared facilities**
 1. That the Lake Sherwood Community Facilities District participates in water conservation programs with other agencies as appropriate.
 2. That the Calleguas MWD provides some administrative and management support for the Lake Sherwood Community Facilities.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. None were noted.
- **Evaluation of management efficiencies**
 1. None were noted.
- **Local accountability and governance**
 1. That the Lake Sherwood Community Facilities District Board is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process. All Board members have been elected; none were appointed.
 2. That the agency has a website and posts copies of their budget and other appropriate information on it for their customers.

i) PLEASANT VALLEY COUNTY WATER DISTRICT

- **Infrastructure needs or deficiencies**
 1. That the Pleasant Valley County Water District provides water service for agricultural uses only.
 2. That the Pleasant Valley County Water District ensures that water supply and demand are adequate and are consistent with the capacity and facilities of the District.
- **Growth and population projections for the affected area**
 1. That the Pleasant Valley County Water District bases growth and population projections on City of Camarillo figures.
- **Financing constraints and opportunities**
 1. None were noted.
- **Cost avoidance opportunities**
 1. None were noted.
- **Opportunities for rate restructuring**
 1. That the Pleasant Valley County Water District fees are set through a public process and are adequate at this time.
- **Opportunities for shared facilities**
 1. That the Pleasant Valley County Water District participates in water conservation programs with agencies as appropriate.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. None were noted.
- **Evaluation of management efficiencies**
 1. None were noted.
- **Local accountability and governance**
 1. That the Pleasant Valley County Water District Board is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
 2. That the Pleasant Valley CWD should consider developing a website to disseminate information to the public.

J) TRIUNFO SANITATION DISTRICT

- **Infrastructure needs or deficiencies**
 1. That the Triunfo SD provides potable water service to unincorporated areas of Ventura County and collection of wastewater as well as the distribution of reclaimed water.
 2. That the Triunfo SD does not have a Master Plan for either water or wastewater which can assess the infrastructure needs and deficiencies in the existing systems and project future needs.
 3. That the Triunfo SD bases its assessment of future service needs on interviews with local developers, regulators and appropriate agencies.
 4. That the Triunfo SD should begin preparation of master plans, annual capital improvement projects and funding in order to accurately project future service needs.
 5. That meeting current and future regulatory requirements will continue to be a concern of the Triunfo SD and other agencies in Ventura County.
- **Growth and population projections for the affected area**
 1. That the Triunfo SD bases growth and population projections on interviews with local developers, regulators and appropriate agencies.
 2. That the Triunfo SD should work closely with land use agencies to ensure an accurate projection of growth and population projections.
- **Financing constraints and opportunities**
 1. That the Triunfo SD requires that new development pay fees and charges to ensure cost recovery.
- **Cost avoidance opportunities**
 1. That the Triunfo SD uses outside vendors and contractors for services when shown to be cost effective.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the Triunfo SD are set through a public process.
- **Opportunities for shared facilities**
 1. That the Triunfo SD currently participates with the Ventura Regional Sanitation District.
 2. That the Triunfo SD collaborates with agencies in watershed programs.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the Triunfo SD should analyze the economic and financial impacts of reorganization with other providers in Ventura County.
- **Evaluation of management efficiencies**
 1. That the Triunfo SD uses outside vendors and contracting agencies to provide more efficient services.
- **Local accountability and governance**
 1. That the Triunfo SD Board adheres to applicable government code sections.

2. That three members of the Board of the Triunfo SD are appointed; two Board members are elected.
3. That the Triunfo SD Board should investigate changing the structure of their Board to ensure that all Board members elected.
4. That the Triunfo SD does have a website where it posts budgets and other appropriate information about the agency.

K) VENTURA COUNTY WATERWORKS DISTRICT #1

- **Infrastructure needs or deficiencies**
 1. That the Ventura County Waterworks District #1 provides potable water and wastewater services to the City of Moorpark and unincorporated areas to north and east.
 2. That the Ventura County Waterworks District #1 has a water and wastewater Master Plan, adopted in 1992 and 1996 respectively, which is used to assess the infrastructure needs and deficiencies in the existing systems and project future needs.
 3. That the Ventura County Waterworks District #1 is currently applying for permits to increase the capacity of its wastewater treatment plant to 5 mgd and the capacity of its reclamation system to 3 mgd.
 4. That meeting current and future regulatory requirements will continue to be a concern of the Ventura County Waterworks District #1 and other agencies in Ventura County.
- **Growth and population projections for the affected area**
 1. That the Ventura County Waterworks District #1 bases growth and population projections on the City of Moorpark and Ventura County General Plans and on population projections from SCAG.
 2. That the Ventura County Waterworks District #1 also uses its master plans to project growth and population.
- **Financing constraints and opportunities**
 1. That the Ventura County Waterworks District #1 requires that new development pay fees and charges to ensure cost recovery.
 2. That the Ventura County Waterworks District #1 prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure adequate funds concurrent with need.
 3. That the Ventura County Waterworks District #1 maintains an annual Capital Improvement Plan and identifies funding for projects.
 4. That the state and federal funding for water and wastewater systems is structured and funded in a manner which limits opportunities for local agencies.
- **Cost avoidance opportunities**
 1. That the Ventura County Waterworks District #1 uses outside vendors and contractors for services when shown to be cost effective.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the Ventura County Waterworks District #1 are set through a public process.
 2. That the Ventura County Waterworks District #1 has adopted a tiered water rate structure to encourage water conservation. The tiered rate structure establishes base allocations for customers with higher charges for water consumption above the base allocation. Wastewater rates are also based on water consumption.
- **Opportunities for shared facilities**
 1. That the Ventura County Waterworks District #1 currently participates with the Calleguas MWD and other agencies on conservations programs.

2. That the Ventura County Waterworks District #1 is a participant in the Calleguas Creek Watershed Management Plan in order to find cost-effective methods to meet treatment requirements.
 3. That the Ventura County Waterworks District #1 shares equipment and staff during emergencies.
 4. That the Ventura County Waterworks District #1 is building a new office facility, which could be used by other agencies as appropriate.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the Ventura County Waterworks District #1 should explore the possibility of a reorganization with the City of Moorpark.
 - **Evaluation of management efficiencies**
 1. That the Ventura County Waterworks District #1 uses outside vendors and contracting agencies to provide more efficient services.
 2. That the current management structure of the Ventura County Waterworks District #1 is adequate to serve the present and future needs of the agency.
 3. That the Ventura County Waterworks District #1 has current management, interdepartmental and inter-agency practices and procedures appropriate to and efficient for its service.
 - **Local accountability and governance**
 1. That the Ventura County Waterworks District #1 Board is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
 2. That the governing Board of the Ventura County Waterworks District #1 is elected; none ran unopposed in the most recent election.
 3. That the agency has a website and posts copies of their budget and other appropriate information on it for their customers.

L) VENTURA COUNTY WATERWORKS DISTRICT #8

- **Infrastructure needs or deficiencies**
 1. That the Ventura County Waterworks District #8 provides potable water service to the City of Simi Valley and unincorporated areas of Ventura County.
 2. That the Ventura County Waterworks District #8 has a water Master Plan, adopted in 1986, which is used to assess the infrastructure needs and deficiencies in the existing systems and project future needs.
 3. That the Ventura County Waterworks District #8 annually updates its list of infrastructure needs.
 4. That meeting current and future regulatory requirements and service demands will continue to be a concern of the Ventura County Waterworks District #8.
- **Growth and population projections for the affected area**
 1. That the Ventura County Waterworks District #8 bases growth and population projections on the General Plan and specific project plans.
- **Financing constraints and opportunities**
 1. That the Ventura County Waterworks District #8 prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure adequate funds concurrent with need.
 2. That the Ventura County Waterworks District #8 maintains an annual Capital Improvement Plan and identifies funding for projects.
- **Cost avoidance opportunities**
 1. That the Ventura County Waterworks District #8 uses contractors and outside vendors for services when determined to be cost effective.
 2. That the Ventura County Waterworks District #8 uses their budget process and internal cost/benefit procedures to evaluate costs savings of programs and alternatives.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the Ventura County Waterworks District #8 are set through a public process.
 2. That the Ventura County Waterworks District #8 is currently analyzing water fees to ensure that funds are available concurrent with need.
- **Opportunities for shared facilities**
 1. That the Ventura County Waterworks District #8 collaborates with agencies as appropriate.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the Ventura County Waterworks District #8 should analyze the cost savings and potential increases in efficiency that could be gained through a reorganization/merger with the City of Simi Valley and/or the Southern California Water Company.
- **Evaluation of management efficiencies**
 1. That the current management structure of the Ventura County Waterworks District #8 is adequate to serve the present and future needs of the agency.

2. That the Ventura County Waterworks District #8 has current management, interdepartmental and inter-agency practices and procedures appropriate to and efficient for its service.
- **Local accountability and governance**
 1. That the Ventura County Waterworks District #8 (City of Simi Valley City Council) is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
 2. That the Board of the Ventura County Waterworks District #8 (City of Simi Valley City Council) is elected and no City Council member ran unopposed.
 3. That the agency should post budgets and other information on the City of Simi Valley website.

M) VENTURA COUNTY WATERWORKS DISTRICT #17

- **Infrastructure needs or deficiencies**
 1. That the Ventura County Waterworks District #17 provides potable water to the unincorporated area of Bell Canyon and additional territory to the north.
 2. That meeting current and future regulatory requirements will continue to be a concern of the Ventura County Waterworks District #17 and other agencies in Ventura County.
- **Growth and population projections for the affected area**
 1. That the Ventura County Waterworks District #17 bases growth and population projections on Ventura County General Plans and on population projections from SCAG.
- **Financing constraints and opportunities**
 1. That the Ventura County Waterworks District #17 requires that new development pay fees and charges to ensure cost recovery.
 2. That the Ventura County Waterworks District #17 prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure adequate funds concurrent with need.
 3. That the Ventura County Waterworks District #17 maintains an annual Capital Improvement Plan and identifies funding for projects.
 4. That the funding for water systems is structured and funded in a manner, which limits opportunities for local agencies.
- **Cost avoidance opportunities**
 1. That the Ventura County Waterworks District #17 uses outside vendors and contractors for services when determined to be cost effective.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the Ventura County Waterworks District #17 are set through a public process.
 2. That the Ventura County Waterworks District #17 has adopted a tiered water rate structure to encourage water conservation. The tiered rate structure establishes base allocations for customers with higher charges for water consumption above the base allocation.
- **Opportunities for shared facilities**
 1. That the Ventura County Waterworks District #17 currently participates with the Calleguas MWD and Metropolitan Water District on conservations programs.
 2. That the Ventura County Waterworks District #17 is a participant in the Calleguas Creek Watershed Management Plan in order to find cost-effective methods to meet treatment requirements.
 3. That the Ventura County Waterworks District #17 shares equipment and staff during emergencies.
 4. That the Ventura County Waterworks District #17 shares facilities with other agencies as appropriate.

- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the Ventura County Waterworks District #17 and LAFCO should consider the efficiencies that might be gained from a reorganization of the Ahmanson Ranch CSD and the Ventura County Waterworks District #17 if the Ahmanson Ranch development proceeds.
- **Evaluation of management efficiencies**
 1. That the Ventura County Waterworks District #17 contracts with the Calleguas MWD for administrative and management support for conservation programs.
 2. That the Ventura County Waterworks District #17 contracts with other agencies and outside vendors when shown to be cost-effective.
- **Local accountability and governance**
 1. That the Ventura County Waterworks District #17 Board (Ventura County Board of Supervisors) is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
 2. That the governing Board of the Ventura County Waterworks District #17 (Ventura County Board of Supervisors) is elected; none ran unopposed in the most recent election.
 3. That the agency has a website and posts copies of their budget and other appropriate information on it for their customers.

N) VENTURA COUNTY WATERWORKS DISTRICT #19

- **Infrastructure needs or deficiencies**
 1. That the Ventura County Waterworks District #19 provides potable water to the unincorporated community of Somis.
 2. That the Ventura County Waterworks District #19 has a water Master Plan, adopted in 1985, which is used to assess the infrastructure needs and deficiencies in the existing systems and project future needs.
 3. That meeting current and future regulatory requirements will continue to be a concern of the Ventura County Waterworks District #19 and other agencies in Ventura County.
- **Growth and population projections for the affected area**
 1. That the Ventura County Waterworks District #19 bases growth and population projections on Ventura County General Plans and on population projections from SCAG.
- **Financing constraints and opportunities**
 1. That the Ventura County Waterworks District #19 requires that new development pay fees and charges to ensure cost recovery.
 2. That the Ventura County Waterworks District #19 prepares a comprehensive annual budget and has adopted financial policies and procedures to ensure adequate funds concurrent with need.
 3. That the Ventura County Waterworks District #19 maintains an annual Capital Improvement Plan and identifies funding for projects.
 4. That the funding for water systems is structured and funded in a manner, which limits opportunities for local agencies.
- **Cost avoidance opportunities**
 1. That the Ventura County Waterworks District #19 uses outside vendors and contractors for services when shown to be cost effective.
- **Opportunities for rate restructuring**
 1. That the rates and fees of the Ventura County Waterworks District #19 are set through a public process.
 2. That the Ventura County Waterworks District #19 has adopted a tiered water rate structure to encourage water conservation. The tiered rate structure establishes base allocations for customers with higher charges for water consumption above the base allocation.
- **Opportunities for shared facilities**
 1. That the Ventura County Waterworks District #19 currently participates with the Calleguas MWD and Metropolitan Water District on conservations programs.
 2. That the Ventura County Waterworks District #19 is a participant in the Calleguas Creek Watershed Management Plan in order to find cost-effective methods to meet treatment requirements.
 3. That the Ventura County Waterworks District #19 shares equipment and staff during emergencies.
 4. That the Ventura County Waterworks District #19 shares facilities with other agencies as appropriate.

- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. That the Ventura County Waterworks District #19 should consider the efficiencies that might be gained by reorganization with smaller mutual water companies.
 2. That the presence of agricultural uses within the boundaries of the Ventura County Waterworks District #19 is beneficial due to the lower rates which encourage and support those uses.
- **Evaluation of management efficiencies**
 1. That the Ventura County Waterworks District #19 contracts with the Calleguas MWD for administrative and management support for conservation programs.
 2. That the Ventura County Waterworks District #19 contracts with other agencies and outside vendors when shown to be cost-effective.
- **Local accountability and governance**
 1. That the Ventura County Waterworks District #19 Board (Ventura County Board of Supervisors) is locally accountable through adherence to applicable government code sections, open and accessible meetings, and dissemination of information and encouragement of participation in their process.
 2. That the governing Board of the Ventura County Waterworks District #19 (Ventura County Board of Supervisors) is elected; none ran unopposed in the most recent election.
 3. That the agency has a website and posts copies of their budget and other appropriate information on it for their customers.

o) VENTURA REGIONAL SANITATION DISTRICT

- **Infrastructure needs or deficiencies**
 1. That the Ventura Regional Sanitation District provides contract water and wastewater services to agencies within Ventura County.
- **Growth and population projections for the affected area**
 1. That the Ventura Regional Sanitation District uses growth and population projections from contracting agencies and other land use agencies.
- **Financing constraints and opportunities**
 1. None were noted.
- **Cost avoidance opportunities**
 1. That the Ventura Regional Sanitation District provides contract services to other agencies when shown to be cost effective.
- **Opportunities for rate restructuring**
 1. That the charges of the Ventura Regional Sanitation District are set through a public process and in conjunction with contracting agencies.
- **Opportunities for shared facilities**
 1. That the Ventura Regional Sanitation District provides contract services to other agencies when shown to be cost effective.
- **Government structure options, including advantages and disadvantages of the consolidation or reorganization of service providers**
 1. None were noted.
- **Evaluation of management efficiencies**
 1. That the Ventura Regional Sanitation District provides cost-effective services to contracting agencies.
- **Local accountability and governance**
 1. That the Ventura Regional Sanitation District Board adheres to applicable government code sections.
 2. That nine members of the Board of the Ventura Regional Sanitation District are appointed.
 3. That the agency does not post copies of their budget and other appropriate information on a website.

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APPENDIX A

DATA BASE REPORTS

APPENDIX B

AGENCY FINANCIAL SUMMARIES

